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OFFICE OF
ADMINISTRATIVE LAW

ENDORSED
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APR 9 1986

Office of Administrative Law
For Use of Office of Admin Law

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

Department of Social Services

(AGENCY)

Sue S. McPherson
AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: March 18, 1986

ORD #0186-02

FILED

In the office of the Secretary of State
of the State of California

APR 9 - 1986

At 4:09 o'clock P.M.

MARCH FONG EU, Secretary of State

By *Mayrie Hershberger*
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING
(See instructions)

Rosalie Clark

TITLE

TELEPHONE

445-0313

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)
- Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)
 Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

Title _____

SECTIONS ADOPTED:

44-350.122

SECTIONS AMENDED:

44-352.11; 44-352.411

SECTIONS REPEALED:

- b. The following sections listed in 3a contain modifications to the text originally made available to the public: *APPROVED*

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

- prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

- No Yes, if yes, give date(s) of prior submittal(s) to OAL: _____

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

- No Yes, if yes, give date statement was submitted to OAL: _____

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

- Fair Political Practices Commission
(Include FPPC approval stamp) Building Standards Commission
(Attach approval)
 State Fire Marshall (Attach approval) Department of Finance (Attach properly signed Std. 399)
 Other _____
(SPECIFY AGENCY)

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA
ADMINISTRATIVE NOTICE REGISTER b. DATE OF FINAL AGENCY ACTION c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT.
CODE SEC. 11346.8(c))

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
b. Effective upon filing with the Secretary of State.
c. Effective on _____ as required or allowed by the following statute(s): _____
d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
- b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- a. Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
- b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
- c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
- b. An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
- c. If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
- d. If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
- e. If an effective date later than specified above is requested, provide the date.

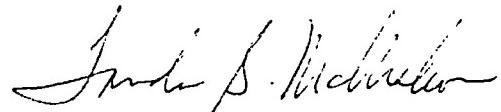
FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDEP

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Adopt new Section 44-350.122 to read:

44-350 OVERPAYMENTS -- GENERAL

44-350

.1 General

- 11 When any overpayment was discovered prior to April 2, 1982 and the maximum adjustment period had not expired prior to April 1982, adjustment shall be continued as specified in Section 44-352 as long as necessary to recover the overpayment.
- 12 When any overpayment is discovered on or after April 2, 1982, the overpayment shall be recouped in accordance with regulations in effect on the date of discovery, except as follows:
 - 121 When the overpayment is determined to be nonwillful, in accordance with regulations in effect during the month the overpayment occurred, the overpayment may not be recouped, unless the adjustment period has been extended beyond March 1982 by a State Hearing decision, if the overpayment occurred prior to the following months:
 - (a) April 1981 if the overpayment is due to excess property.
 - (b) October 1981 if the overpayment is due to factors other than excess property.
 - 122 When the overpayment is determined to be due to excess property, the overpayment is to be recouped in accordance with the regulations in Section 44-352.11.
 - (a) For cases in which an overpayment caused by excess property was recouped under former MPP Section 44-352.11, which was effective on April 2, 1982, the county shall take the following steps:
 - (i) Recompute the overpayment in accordance with the April 1986 amendments to Section 44-352.11;

- HANDBOOK
- (2) Determine if the revised overpayment is less than the overpayment computed under the April 2, 1982 regulations.
 - (3) If the revised overpayment is less, issue a payment to correct the underpayment for any amount which has actually been recouped which exceeds the revised overpayment amount.
- Note: In accordance with the Edwards v. McMahon final court order, payments are to be issued to correct underpayments even when the family is not currently aided.
- (b) The case review, recomputation, and correction of any underpayments shall be completed as soon as possible and not later than the deadlines set forth below:
 - (1) The date of the next annual redetermination of eligibility or the date of termination, whichever is earlier, for all current recipients on the effective date of this regulation;
 - (2) Sixty days from the date aid is granted for reapplications and requests for restoration of aid within one year of the effective date of this regulation;
 - (3) Sixty days from the date of a request for review in all other cases.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10554, 10604, and 11020.

Amend Section 44-352.11 to read:

44-352 OVERPAYMENT RECOUPMENT

44-352

.1 Calculation of the Overpayment

When it is determined that an overpayment exists, calculate the amount of the overpayment and determine the appropriate methods of recovery.

.11 Overpayment due to "excess property"

When a recipient has held property in excess of eligibility limits, the overpayment shall be calculated as follows:

.111 Determine the months in which the property, as of the first day of the month, exceeds property maximums.

.112 Determine the month in which the property value was the highest and calculate the amount by which the property held in that month exceeded the eligibility limit.

.1123 The amount of the overpayment is the Calculate the total amount of aid actually paid to the recipient in each of the above during the months excess property was held, minus subtracting any support payments or other money received by the county which was credited against the aid payment for that those months.

.114 Determine whether the recipient received aid in "good faith." The determination of "good faith" receipt of aid shall be based on a preponderance of evidence establishing that the recipient believed himself/herself to be eligible to the aid received. The county shall consider information in the case record and all other available information, including an interview with the recipient if he/she is available and willing to cooperate. The determination of "good faith" receipt of aid shall be reasonable, objective, and drawn from all available information.

(a) The county shall not determine that a recipient has received aid in "good faith" in cases where the county has informed the

recipient of his/her reporting responsibilities and, under the circumstances, the recipient knew or should have known of his/her reporting responsibilities and failed to report within his/her competence. (See Section 40-105).

- (1) The following are examples of questions to be considered in making the determination. Not all questions necessarily apply in all situations.
- (A) How was the recipient informed of his/her reporting responsibilities? e.g., Mass Mailing? Personal Intake Interview? Home Visit? Never?
 - (B) Is there information in the case record which indicates the recipient's apparent understanding of his/her reporting requirements with regard to property?
 - (C) What is the recipient's history of reporting?
 - (D) Did the recipient know the value of the property in question?
 - (E) Did county actions contribute to the situation causing the overpayment?
 - (F) Is there other information about the recipient's situation that would have an influence on the determination (i.e., language/age barrier)?

- .115 If the county determines that the recipient received aid in "good faith," in accordance with .114 above, the amount of the overpayment is the lesser of the amount of excess property calculated in .112 above or the total grant paid as calculated in .113 above.

(a) Example I: An applicant owns an insurance policy that the county calculates has a cash surrender value of \$300. She also has a savings account that fluctuates slightly from month to month. The combined value of all her property is computed to be \$990. The applicant is granted aid of \$400 per month and accepts it in "good faith."

Two months later, upon receipt of verification of value from the insurance company, the county finds the cash surrender value of the policy is \$350. Because of the savings account the recipient has held property of \$1,040 and \$1,025 during her two months on aid. The total grant which had been paid is \$800. The highest amount by which the property exceeded the limit ($\$1,040 - 1,000 = \40) is compared with the total amount of aid paid during the time excess property was held ($\$400 \times 2 = \800). The overpayment to be recouped is the lesser amount, in this case \$40.

Example II: Recipient owned several stocks which fluctuated in value. At the time of her eligibility determination in January the combined value of her property, including stocks, was computed to be \$850. She was granted aid of \$100 per month. At her redetermination the following January, her property was investigated in detail. It was found that twice during the prior year her total property value had exceeded the property limit, both times due to fluctuations in stock value. In March, her total property was worth \$1,075 and in July worth \$1,010. Because the overpayment was caused by the same property in both cases, the two ineligible months, although not consecutive, are considered one "period."

The total grant paid for the ineligible months is \$200. The amount by which the excess property exceeded the property limit in the month the property value was the highest is \$75. The overpayment to be recouped is the lesser amount, in this case \$75.

.116 If the county determines that the recipient did not receive aid in "good faith," the amount of the overpayment shall be the total grant paid during the period the excess property was held, as calculated in .113 above.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10604 and 11020.

Amend Section 44-352.411 to read:

44-352 OVERPAYMENT RECOUPMENT (Continued)

44-352

.4 Methods of Recovery (Continued)

All of the following methods may be used concurrently. However, those methods should be used that will result in the maximum recovery.

.41 Grant Adjustment:

.411 If the overpayment is to be recovered by grant adjustment the following method shall be used:

a. For overpayments caused by administrative error, and which have been or will be recouped on or after January 1, 1986, determine the sum of the FBU's total grant amount for the payment month before overpayment adjustments, the FBU's gross earned income less any dependent care disregards as specified in Section 44-113.215 and less the standard work expense disregard as specified in Section 44-113.214, other net nonexempt income, and the FBU's liquid resources.

For all other overpayments, determine the sum of the FBU's total grant amount for the payment month before overpayment adjustments, the FBU's gross earned income without application of earned income disregards, and other net nonexempt income without application of earned income disregards, and the FBU's liquid resources.

b. Multiply the Maximum Aid Payment plus any special needs for the FBU by .90 and round the amount to the nearer dollar, unless the overpayment was caused by administrative error. If the overpayment was caused by administrative error multiply the MAP plus any special needs for the FBU by .95 and round to the nearer dollar.

c. If the amount from Step (a) is larger than the amount in Step (b), the county may grant adjust the overpayment. The amount

determined by subtracting (b) from (a) is the amount to be recovered by grant adjustment for that month unless the grant amount before adjustment or the overpayment balance is less.

- d. The overpayment is to be adjusted from the current aid payment. If the current aid payment is not enough to recover the entire overpayment, then the remaining amount of the overpayment is applied to succeeding month(s) and the grant adjustment process is repeated.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10604 and 11004(c) (Stats. 1985, Ch. 1569).

86-03205

(See Instructions on Reverse)
ORD# 0385-18

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

DEPARTMENT OF SOCIAL SERVICES

(AGENCY)

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date:

FILED

In the office of the Secretary of State
of the State of California

APR 15 1986

At 4:26 o'clock P.M.
MARCH FONG EU, Secretary of State

By Virginia L. Gray
Deputy Secretary of State

For use by Secretary of State only

RECEIVED FOR FILING

1986 MAR 20 PM 3:45

OFFICE OF
ADMINISTRATIVE LAW
ENDORSED
APPROVED FOR FILING

APR 15 1986

For use of Office of Adm. Law
Office of Administrative Law

1. AGENCY CONTACT PERSON FOR THIS FILING
(See Instructions)

Rosalie Clark

Chief, Office Of Regulations Development

445-0313

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)

Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)

Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

Title _____

SECTIONS ADOPTED: 63-053, 63-504.862

SECTIONS AMENDED:

63-107.2

SECTIONS REPEALED:

(See attached list)

- b. The following sections listed in 3a contain modifications to the text originally made available to the public: 63-053

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

No Yes, if yes, give date(s) of prior submittal(s) to OAL: November 1, 1985 (File No. 85-1101-1S)

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

No Yes, if yes, give date statement was submitted to OAL November 14, 1984

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

Fair Political Practices Commission (Include FPPC approval stamp) Building Standards Commission (Attach approval)
 State Fire Marshall (Attach approval) Department of Finance (Attach properly signed Std. 399)
 Other _____
(SPECIFY AGENCY)

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER
June 28, 1985

b. DATE OF FINAL AGENCY ACTION
March 17, 1986

c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8(c))
February 14 thru March 3, 1986

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
b. Effective upon filing with the Secretary of State.
c. Effective on _____ as required or allowed by the following statute(s): _____
d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
e. Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
f. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

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- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
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- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
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 - b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).

Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
 - b. Provide the date on which the regulatory agency adopted the regulatory changes.
 - c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
 - a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - b. An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - c. If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - d. If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - e. If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

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- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

SECTIONS REPEALED

63-001, 63-002, 63-003, 63-004, 63-005, 63-006, 63-007, 63-008, 63-009, 63-010,
63-011, 63-012, 63-014, 63-014, 63-015, 63-016, 63-017, 63-018, 63-021, 63-022,
63-023, 63-024, 63-025, 63-026, 63-027, 63-028, 63-029, 63-030, 63-101.2,
63-106.1 through .7, 63-108.1 through .6, 63-300.34, 63-402.7, 63-502.331,
63-603.16 and .17, 63-701(e) and (j), and 63-706.13

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Repeal Sections 63-001, 63-001.1, .2, .3, .31, .32, .33 .4, and .5.

~~63-001~~ IMPLEMENTATION OF SPECIAL MEDICAL SHELTER DEDUCTIONS 63-001

Countries shall implement the new excess medical expense, and excess shelter expense deductions promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977. All eligible food stamp households containing a member who is (1) 60 years of age or older or (2) receiving disability payments under Title II of the Social Security Act will be entitled to these deductions.

- 1 Beginning January 1, 1980, counties shall implement the required program changes for all new applications and recertifications. Currently eligible households shall be converted to the new excess medical expense-deduction system at recertification, when they respond to the notice required in subparagraph •2 of this section, or when they otherwise request conversion. The CWD shall convert eligible households to the new shelter computation at the household's next recertification, recomputation or reported change if the household has not previously requested conversion.
- 2 The CWD shall provide notices explaining the changes and their applicability at all food stamp certification offices and shall mail or individually provide all currently certified households at least one notice prior to January 1, 1980. The notice shall advise the household of the availability of the new deductions and the procedures for reporting medical and shelter expenses. These notices shall be distributed no later than December 15, 1979. Notices shall also be available to public and general assistance offices. Posters explaining the changes shall be displayed in food stamp certification offices and shall be made available to public and general assistance offices.
- 3 For January and February, 1980, the CWD shall have up to 30 days from the date the household reports changes in medical and shelter costs to process such changes. The change shall be effective for the first issuance following that 30 day period, with retroactive benefits from the date the change would normally become effective under Section 63-504.32.
- 31 The CWD may request an extension of processing time of up to 60 days to act on these changes. The CWD shall submit appropriate documentation to SUSS-FSPOB when an extension is requested.

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- 32 After January and February, 1980, the county shall act on these changes in accordance with the normal processing standards in Section 63-504.32.
- 33 Verification of medical expenses required by Section 63-300.515 must be obtained prior to allowing the deductions. If the household does not provide verification, the household's benefits will not be adjusted to reflect the changes.
- 4 Households shall not be entitled to retroactive benefits pursuant to the application of special medical and shelter deduction for any period prior to January 1, 1980. For the initial months after implementation, if an extension of the processing time allowed pursuant to Section 63-001.31 is in effect, a household shall be entitled to benefits retroactive to the month the change would have become effective under the normal processing standards in Section 63-504.32. Retroactive benefits are not subject to reduction due to off-setting of claims. After this initial period, no household shall be entitled to retroactive benefits unless the CWD does not act on reported changes in accordance with the timeliness standards in Section 63-504.32 or the household is otherwise entitled under the provisions of Section 63-802.
- 5 Revised Sections 63-502.3, 503.3, and 505.2 shall be applied to all applicant households beginning with the effective date. Within 90 days of the effective date of the revisions, the entire caseload shall be converted to the revised medical expense-deduction system where applicable through desk reviews, recertifications, recomputations within the certification period, or when a household reports a change.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Adopt Sections 63-001, 63-001.1, .2, .3, .31, .32, .33, .4, and .5 as Handbook material to read:

63-001 IMPLEMENTATION OF SPECIAL MEDICAL SHELTER DEDUCTIONS 63-001

Counties shall implement the new excess medical expense, and excess shelter expense deductions promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977. All eligible food stamp households containing a member who is (1) 60 years of age or older or (2) receiving disability payments under Title II of the Social Security Act will be entitled to these deductions.

- 1 Beginning January 1, 1980, counties shall implement the required program changes for all new applications and recertifications. Currently eligible households shall be converted to the new excess medical expense-deduction system at recertification, when they respond to the notice required in subparagraph •2 of this section, or when they otherwise request conversion. The CWD shall convert eligible households to the new shelter computation at the household's next recertification, recomputation or reported change if the household has not previously requested conversion.
- 2 The CWD shall provide notices explaining the changes and their applicability at all food stamp certification offices and shall mail or individually provide all currently certified households at least one notice prior to January 1, 1980. The notice shall advise the household of the availability of the new deductions and the procedures for reporting medical and shelter expenses. These notices shall be distributed no later than December 15, 1979. Notices shall also be available to public and general assistance offices. Posters explaining the changes shall be displayed in food stamp certification offices and shall be made available to public and general assistance offices.
- 3 For January and February, 1980, the CWD shall have up to 30 days from the date the household reports changes in medical and shelter costs to process such changes. The change shall be effective for the first issuance following that 30 day period, with retroactive benefits from the date the change would normally become effective under Section 63-504.32.
- 31 The CWD may request an extension of processing time of up to 60 days to act on these changes. The CWD shall submit appropriate documentation to SDSS-FSPDB when an extension is requested.

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- 32 After January and February, 1980, the county shall act on these changes in accordance with the normal processing standards in Section 63-504.32.
 - 33 Verification of medical expenses required by Section 63-300.515 must be obtained prior to allowing the deductions. If the household does not provide verification, the household's benefits will not be adjusted to reflect the changes.
 - 4 Households shall not be entitled to retroactive benefits pursuant to the application of special medical and shelter deduction for any period prior to January 1, 1980. For the initial months after implementation, if an extension of the processing time allowed pursuant to Section 63-001.31 is in effect, a household shall be entitled to benefits retroactive to the month the change would have become effective under the normal processing standards in Section 63-504.32. Retroactive benefits are not subject to reduction due to off-setting of claims. After this initial period, no household shall be entitled to retroactive benefits unless the CWD does not act on reported changes in accordance with the timeliness standards in Section 63-504.32 or the household is otherwise entitled under the provisions of Section 63-802.
 - 5 Revised Sections 63-502.3, 503.3, and 505.2 shall be applied to all applicant households beginning with the effective date. Within 90 days of the effective date of the revisions, the entire caseload shall be converted to the revised medical expense-deduction system where applicable through desk reviews, recertifications, recomputations within the certification period, or when a household reports a change.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-002.

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63-002 REPEAL OF OLD MANUAL MATERIAL

63-002

Effective July 1, 1979, Chapters 63-1000 through 63-8000 of the old SDSS Food Stamp Manual are repealed and superseded by new Chapters 63-001 through 63-1000 of the SDSS Food Stamp Manual.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-002 as Handbook material to read:

63-002 REPEAL OF OLD MANUAL MATERIAL

63-002

Effective July 1, 1979, Chapters 63-1000 through 63-8000 of the old SDSS Food Stamp Manual are repealed and superseded by new Chapters 63-001 through 63-1000 of the SDSS Food Stamp Manual.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-003, 63-003.1, .2 and .3.

63-003 IMPLEMENTATION OF STUDENT PARTICIPATION IN FOOD 63-003
STAMP PROGRAM

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Counties shall implement the revised provisions on student eligibility for food stamps, promulgated by Public Law 96-249 to amend the Food Stamp Act of 1977 as follows:

- 1 Beginning September 1, 1980, counties shall implement the revised regulations on student participation (Sections 63-402.26, 406, and 407.29) for all new applicants.
- 2 Currently certified student households shall be converted to the revised regulations at time of recertification or at any time the casefile is reviewed prior to recertification.
- 3 Student member households applying for participation or recertification between August 1, and September 1, 1980, shall be assigned a certification period not to exceed three months in order to facilitate a conversion to the revised student regulations for these households no later than November 1, 1980.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Sections 63-003, 63-003.1, .2 and .3 as Handbook material to read:

63-003 IMPLEMENTATION OF STUDENT PARTICIPATION IN FOOD STAMP PROGRAM 63-003

Counties shall implement the revised provisions on student eligibility for food stamps, promulgated by Public Law 96-249 to amend the Food Stamp Act of 1977 as follows:

- 1 Beginning September 1, 1980, counties shall implement the revised regulations on student participation (Sections 63-402.26, 406, and 407.29) for all new applicants.
 - 2 Currently certified student households shall be converted to the revised regulations at time of recertification or at any time the casefile is reviewed prior to recertification.
 - 3 Student member households applying for participation or recertification between August 1, and September 1, 1980, shall be assigned a certification period not to exceed three months in order to facilitate a conversion to the revised student regulations for these households no later than November 1, 1980.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349-1 and 11349-7.

Repeal Sections 63-004, 63-004.1 and .2.

63-004 ~~IMPLEMENTATION OF ENERGY ASSISTANCE PAYMENTS, EXCLUSIONS, REDUCTION OF THE RESOURCE LIMIT, RESOURCE EXCLUSION FOR VEHICLES FOR THE PHYSICALLY DISABLED TREATMENT OF UNLICENSED VEHICLES USED ON INDIAN RESERVATIONS~~ 63-004

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Counties shall implement the provisions on energy assistance payments, the reduction of the resource limit, the resource exclusion for vehicles for the physically disabled and treatment of unlicensed vehicles used on Indian reservations, promulgated by Public Law 96-249 to amend the Food Stamp Act of 1977 as follows:

- 1 Beginning October 1, 1980, counties shall implement the revised eligibility regulations (Sections 63-408.2, 501.3(c), 501.3(k)(7), 501.5, 501.52, 501.64, 502.8(j)(7), 505.215) for all new applicants.
- 2 Currently certified households shall be converted to the revised regulations at time of recertification or at any time the casefile is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-004, 63-004.1 and .2 as Handbook material to read:

H 63-004 IMPLEMENTATION OF ENERGY ASSISTANCE PAYMENTS. 63-004
A EXCLUSIONS, REDUCTION OF THE RESOURCE LIMIT,
N RESOURCE EXCLUSION FOR VEHICLES FOR THE PHYSICALLY
D DISABLED TREATMENT OF UNLICENSED VEHICLES USED ON
B INDIAN RESERVATIONS

A Counties shall implement the provisions on energy assistance
N payments, the reduction of the resource limit, the resource
D exclusion for vehicles for the physically disabled and treatment
B of unlicensed vehicles used on Indian reservations, promulgated
O by Public Law 96-249 to amend the Food Stamp Act of 1977 as
K follows:

- O .1 Beginning October 1, 1980, counties shall implement the revised eligibility regulations (Sections 63-408.2, 501.3(c), 501.3(k)(7), 501.5, 501.52, 501.64, 502.2(j)(7), 505.215) for all new applicants.
- K .2 Currently certified households shall be converted to the revised regulations at time of recertification or at any time the casefile is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-005, 63-005.1 and .2.

**63-005 IMPLEMENTATION OF TREATMENT OF PAYMENTS RECEIVED 63-005
PURSUANT TO SETTLEMENT OF UNDERWOOD V. HARRIS**

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Counties shall implement the revised policy effective September 26, 1980 for the treatment of payments received pursuant to the settlement of Underwood v. Harris as follows:

- 1 Upon the effective date of these regulations, counties shall implement the revised policy for the treatment of Underwood v. Harris settlement payments (Section 63-501.31) for all new applications and currently certified households.
- 2 Counties shall restore benefits upon request to all households who were discontinued/denied due solely to the now incorrect treatment of Underwood v. Harris settlement payments if these payments were received between September 26, 1980 and the implementation of the revised regulations. Counties shall disseminate recipient informing materials as directed and provided by the department.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Adopt Section 63-005, 63-005.1 and .2 as Handbook material to read:

63-005 IMPLEMENTATION OF TREATMENT OF PAYMENTS RECEIVED PURSUANT TO SETTLEMENT OF UNDERWOOD V. HARRIS

Counties shall implement the revised policy effective September 26, 1980 for the treatment of payments received pursuant to the settlement of Underwood v. Harris as follows:

- .1 Upon the effective date of these regulations, counties shall implement the revised policy for the treatment of Underwood v. Harris settlement payments (Section 63-501.31) for all new applications and currently certified households.
- .2 Counties shall restore benefits upon request to all households who were discontinued/denied due solely to the now incorrect treatment of Underwood v. Harris settlement payments if these payments were received between September 26, 1980 and the implementation of the revised regulations. Counties shall disseminate recipient informing materials as directed and provided by the department.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-006.

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63-006 ~~IMPLEMENTATION OF GROUP LIVING ARRANGEMENT REGULATIONS~~ 63-006

Counties shall implement the new provisions on group living arrangements promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977 on the first day of the month sixty (60) days following the filing of the following regulations Sections: 63-102, 63-301, 63-402, 63-503, 63-504, and 63-604.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-006 as Handbook material to read:

**63-006 IMPLEMENTATION OF GROUP LIVING ARRANGEMENT
REGULATIONS 63-006**

Counties shall implement the new provisions on group living arrangements promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977 on the first day of the month sixty (60) days following the filing of the following regulations Sections: 63-102, 63-301, 63-402, 63-503, 63-504, and 63-604.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Repeal Section 63-007.

63-007 ~~IMPLEMENTATION OF THE REVISED TRUST FUND
REGULATIONS~~ 63-007

Counties shall implement the revised trust fund regulations, Sections 63-501.3(h) and 63-502.126, for all new applicants no later than February 1, 1981. Counties shall convert the current caseload to the new rules at recertification or at the time the case is otherwise reviewed, whichever comes first. A casefile is considered to be reviewed anytime the CWD receives information which affects eligibility or benefit level.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-007 as Handbook material to read:

63-007 IMPLEMENTATION OF THE REVISED TRUST FUND 63-007
REGULATIONS

HANDBOOK

Counties shall implement the revised trust fund regulations, Sections 63-501.3(h) and 63-502.126, for all new applicants no later than February 1, 1981. Counties shall convert the current caseload to the new rules at recertification or at the time the case is otherwise reviewed, whichever comes first. A casefile is considered to be reviewed anytime the CWD receives information which affects eligibility or benefit level.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-008 and 63-008.1 and .2.

~~63-008 IMPLEMENTATION OF THE WORK REGISTRATION JOB
SEARCH PROVISIONS~~ 63-008

~~Counties shall implement the new provisions on work registration/job search (Sections 63-102, 63-402, 63-407, 63-408, 63-503, 63-804, 22-049 and 22-060) as follows:~~

- 1 Beginning the first of the month thirty (30) days following the filing of these regulations, counties shall implement the revised regulations for all new applicants.
 - 2 Currently certified households shall be converted to the revised regulations by the next food stamp recertification or reregistration with the Employment Development Department (EDD) after implementation of the work registration/job search provisions.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349-1 and 11349-7.

Adopt Section 63-008, 63-008.1 and .2 as Handbook material to read:

63-008 IMPLEMENTATION OF THE WORK REGISTRATION JOB SEARCH PROVISIONS 63-008

Counties shall implement the new provisions on work registration/job search (Sections 63-102, 63-402, 63-407, 63-408, 63-503, 63-804, 22-049 and 22-060) as follows:

- 1 Beginning the first of the month thirty (30) days following the filing of these regulations, counties shall implement the revised regulations for all new applicants.
 - 2 Currently certified households shall be converted to the revised regulations by the next food stamp recertification or reregistration with the Employment Development Department (EDD) after implementation of the work registration/job search provisions.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349-1 and 11349-7.

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Repeal Section 63-009, 63-009 .1 and .2.

63-009 ~~IMPLEMENTATION OF ALIEN ELIGIBILITY AND VERIFICATION PROVISIONS~~ 63-009

Counties shall implement the revised provisions for alien eligibility and verification, promulgated by Public Law 95-113 (Food Stamp Act of 1977) as follows:

- 1 Beginning the first of the month 30 days after filing these revisions with the Secretary of State, counties shall implement the revised program changes for all new applications.
- 2 Currently certified households shall be converted by the time of recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-009, 63-009 .1 and .2 as Handbook material to read:

H 63-009 IMPLEMENTATION OF ALIEN ELIGIBILITY AND
A VERIFICATION PROVISIONS

63-009

A Counties shall implement the revised provisions for alien
N eligibility and verification, promulgated by Public Law 95-113
(Food Stamp Act of 1977) as follows:

D D.1 Beginning the first of the month 30 days after filing these
B revisions with the Secretary of State, counties shall
O implement the revised program changes for all new
K applications.

O D.2 Currently certified households shall be converted by the time
K of recertification.

Authority: Welfare and Institutions Code Sections 10553 and
18904.

Reference: Welfare and Institutions Code Section 10554, and
Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-010, 63-010.1, .2, and .3.

63-010 IMPLEMENTATION OF REVISED FOOD STAMP PROGRAM 63-010
REQUIREMENTS

Beginning December 1, 1981, counties shall implement the revised regulations for verifying information used to determine eligibility for participation in the Food Stamp Program as follows:

- 1 All initial applications for Food Stamp Program, received after the implementation date, shall have the applicable information verified in accordance with the revised regulations.
- 2 Currently certified households shall have information verified in accordance with the revised regulations at the time of recertification and/or when changes occur to these items. When verification is done due to changes, only those items in which the changes occur shall be verified.
- 3 Sections affected by the revisions are Sections 63-300.513, 300.515, 300.516, 300.52, 300.521, 300.522, 300.53, 300.531, 300.532, 300.533, 300.541, 300.542, 300.543, 300.55, 300.56, 300.591, 301.411, 301.541, 501.51, 502.331, 502.354, 502.361, 504.321.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-010, 63-010.1, .2, and .3 as Handbook material to read:

63-010 IMPLEMENTATION OF REVISED FOOD STAMP PROGRAM
REQUIREMENTS

63-010

H Beginning December 1, 1981, counties shall implement the revised regulations for verifying information used to determine A eligibility for participation in the Food Stamp Program as follows:

- N •1 All initial applications for Food Stamp Program, received D after the implementation date, shall have the applicable information verified in accordance with the revised regulations.
- B •2 Currently certified households shall have information O verified in accordance with the revised regulations at the time of recertification and/or when changes occur to these items. When verification is done due to changes, only those items in which the changes occur shall be verified.
- K •3 Sections affected by the revisions are Sections 63-300.513, 300.515, 300.516, 300.52, 300.521, 300.522, 300.53, 300.531, 300.532, 300.533, 300.541, 300.542, 300.543, 300.55, 300.56, 300.591, 301.411, 301.541, 501.51, 502.331, 502.354, 502.361, 504.321.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-011, 63-011.1, .2, and .3.

63-011 ~~IMPLEMENTATION OF ELIMINATION OF BOARDERS, DAILY PRORATION OF FIRST MONTH BENEFITS, ESTABLISHMENT OF A GROSS INCOME TEST, REDUCTION OF EARNED INCOME DEDUCTION RESTRICTION OF ELIGIBILITY OF STRIKERS AND DEFINITION OF HOUSEHOLD~~ 63-011

Counties shall implement the provisions on elimination of boarders, daily proration of first month benefits, establishment of a gross income test, reductions of earned income deductions, restriction on eligibility of strikers and definition of household promulgated by Public Law 97-35 to amend the Food Stamp Act of 1977 as follows:

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1. For all new applications these revised provisions shall be implemented no later than November 1, 1981. However, counties may choose to implement any or all of these provisions beginning October 1, 1981. (Sections: 63-300.531, 301.543, 402, 402.1, 402.22, 402.23, 402.29, 402.3, 402.73, 402.8, 408, 408.2, 502.31, 502.33, 502.35, 502.361, 503.32, 503.52, 503.522, and 503.53)
 2. Currently certified households shall be converted to the new gross income test and earned income deduction through desk reviews to be completed no later than February 1, 1982. (Sections: 63-408.1, 503.32, 502.31, 502.33, 502.35)
 3. Currently certified households shall be converted to the new household definition, and revised provisions on ineligibility of strikers and boarders by the time of recertification. (Sections: 63-402, 402.1, 402.22, 402.23, 402.29, 402.3, 402.8)

Notification of these changes shall be provided in accordance with the provisions of Section 63-504.342b governing mass changes.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Adopt Section 63-011, 63-011.1, .2, and .3 as Handbook material to read:

63-011 IMPLEMENTATION OF ELIMINATION OF BOARDERS, DAILY PRORATION OF FIRST MONTH BENEFITS, ESTABLISHMENT OF A GROSS INCOME TEST, REDUCTION OF EARNED INCOME DEDUCTION RESTRICTION OF ELIGIBILITY OF STRIKERS AND DEFINITION OF HOUSEHOLD 63-011

Counties shall implement the provisions on elimination of boarders, daily proration of first month benefits, establishment of a gross income test, reductions of earned income deductions, restriction on eligibility of strikers and definition of household promulgated by Public Law 97-35 to amend the Food Stamp Act of 1977 as follows:

1. For all new applications these revised provisions shall be implemented no later than November 1, 1981. However, counties may choose to implement any or all of these provisions beginning October 1, 1981. (Sections: 63-300.531, 301.543, 402, 402.1, 402.22, 402.23, 402.29, 402.3, 402.73, 402.8, 408, 408.2, 502.31, 502.33, 502.35, 502.361, 503.32, 503.52, 503.522, and 503.53)
2. Currently certified households shall be converted to the new gross income test and earned income deduction through desk reviews to be completed no later than February 1, 1982. (Sections: 63-408.1, 503.32, 502.31, 502.33, 502.35)
3. Currently certified households shall be converted to the new household definition, and revised provisions on ineligibility of strikers and boarders by the time of recertification. (Sections: 63-402, 402.1, 402.22, 402.23, 402.29, 402.3, 402.8)

Notification of these changes shall be provided in accordance with the provisions of Section 63-504.342b governing mass changes.

Authority: Welfare and Institutions Code Sections 10553 and 1890.4

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Repeal Section 63-012.

63-012 ~~IMPLEMENTATION OF PROGRAM INFORMATIONAL ACTIVITIES~~ 63-012

On October 1, 1981 a new Chapter 63-1000 on Program Informational Activities shall be effective.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Adopt Section 63-012 as Handbook material to read:

63-012 IMPLEMENTATION OF PROGRAM INFORMATIONAL ACTIVITIES 63-012

On October 1, 1981 a new Chapter 63-1000 on Program Informational Activities shall be effective.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-013.

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63-013 IMPLEMENTATION OF STUDENT ELIGIBILITY PROVISIONS 63-013

Beginning the first of the month, following thirty (30) days after the filing of these regulations with the Secretary of State, counties shall implement the required program changes for all new applications. The current caseload shall be converted to the required program changes at the time of recertification or anytime a case file is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

HANDBOOK Adopt Section 63-013 as Handbook material to read:

63-013 IMPLEMENTATION OF STUDENT ELIGIBILITY PROVISIONS 63-013

Beginning the first of the month, following thirty (30) days after the filing of these regulations with the Secretary of State, counties shall implement the required program changes for all new applications. The current caseload shall be converted to the required program changes at the time of recertification or anytime a case file is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

R Repeal Section 63-014.

63-014 IMPLEMENTATION OF REPLACEMENT PROVISIONS

63-014

Counties shall implement the revised provisions for replacements of ATPs and coupons, promulgated by Public Law 95-113 (Food Stamp Act of 1977) as follows:

Beginning the first of the month 60 days after filing these revisions with the Secretary of State, counties shall implement the revised program changes for all households.

The restriction which limits ATP or coupon replacements during any six-month period shall begin on the implementation date and all households will have zero replacements at that point. Regulations shall be implemented from that point on in accordance with the type and number of replacements which are then allowed.

The CWD shall mail or individually provide all currently certified households with a notice explaining the household's reporting responsibilities for replacements. The notice language to be used shall be provided by SDSS. This notice shall be issued as soon as possible. However, it may be delayed in order to be provided with the next allotment.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-014 as Handbook material to read:

63-014 IMPLEMENTATION OF REPLACEMENT PROVISIONS

63-014

H Counties shall implement the revised provisions for replacements
A of ATPs and coupons, promulgated by Public Law 95-113 (Food Stamp
D Act of 1977) as follows:

N Beginning the first of the month 60 days after filing these
D revisions with the Secretary of State, counties shall implement
O the revised program changes for all households.

B The restriction which limits ATP or coupon replacements during
O any six-month period shall begin on the implementation date and
K all households will have zero replacements at that point.
Regulations shall be implemented from that point on in accordance
with the type and number of replacements which are then allowed.

K The CWD shall mail or individually provide all currently
certified households with a notice explaining the household's
reporting responsibilities for replacements. The notice language
to be used shall be provided by SDSS. This notice shall be
issued as soon as possible. However, it may be delayed in order
to be provided with the next allotment.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-015, 63-015.1, .11, .12, and .13.

63-015 IMPLEMENTATION OF PHOTO IDENTIFICATION

63-015

- 1 CWDs shall implement the new provisions for photo identification, promulgated by Public Law 96-249 Section 117 (Food Stamp Act of 1977) as follows:
 - 11 CWDs subject to the photo ID card requirements shall have issued either a photo ID card or an ID card annotated to indicate that the card is valid without a photograph, and shall require presentation of such ID cards at the issuance point as a precondition of issuing coupons to a household no later than November 1, 1982. The card will be issued at no charge to the household.
 - 12 Any CWD that becomes subject to the photo ID card requirement shall come into full compliance no later than the first of the month that occurs 12 months after FNS notifies SDSS that the area is subject to the requirement.
 - 13 All households currently certified for food stamp benefits must comply with photo ID requirements, unless exempt under Section 63-504.97. The date of full compliance may be selected by the CWD, if earlier than the 12-month requirement. Photo ID card or an ID card annotated to indicate that the card is valid without a photograph shall be provided by the CWD at no charge to the household.

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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Adopt Sections 63-015, 63-015.1, .11, .12, and .13 as Handbook material to read:

63-015 IMPLEMENTATION OF PHOTO IDENTIFICATION

63-015

- 1 CWDs shall implement the new provisions for photo identification, promulgated by Public Law 96-249 Section 117 (Food Stamp Act of 1977) as follows:
 - 11 CWDs subject to the photo ID card requirements shall have issued either a photo ID card or an ID card annotated to indicate that the card is valid without a photograph, and shall require presentation of such ID cards at the issuance point as a precondition of issuing coupons to a household no later than November 1, 1982. The card will be issued at no charge to the household.
 - 12 Any CWD that becomes subject to the photo ID card requirement shall come into full compliance no later than the first of the month that occurs 12 months after FNS notifies SDSS that the area is subject to the requirement.
 - 13 All households currently certified for food stamp benefits must comply with photo ID requirements, unless exempt under Section 63-504.97. The date of full compliance may be selected by the CWD, if earlier than the 12-month requirement. Photo ID card or an ID card annotated to indicate that the card is valid without a photograph shall be provided by the CWD at no charge to the household.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-016.

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63-016 ~~IMPLEMENTATION OF EMERGENCY FOOD STAMP ASSISTANCE 63-016
IN DISASTERS~~

Effective on the date that these regulations are filed with the Secretary of State (December 20, 1982), counties shall implement the revised Chapter 63-900, Emergency Food Stamp Assistance in Disasters, as the need occurs.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-016 as Handbook material to read:

63-016 IMPLEMENTATION OF EMERGENCY FOOD STAMP ASSISTANCE 63-016
IN DISASTERS

Effective on the date that these regulations are filed with the Secretary of State (December 20, 1982), counties shall implement the revised Chapter 63-900, Emergency Food Stamp Assistance in Disasters, as the need occurs.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-017, 63-017.1, .2, and .3.

63-017 IMPLEMENTATION OF REGULATIONS FOR CERTIFICATION 63-017
OF RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN

Counties shall implement the provisions of eligibility for food stamps for residents of shelters for battered women and children promulgated by Public Law 96-249 to amend the Food Stamp Act of 1977.

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- 1 On the first of the month at least 30 days after regulations are filed, counties shall implement the revised policy permitting a woman or woman with children who are temporarily residents of a shelter for battered women and children to use food coupons to purchase meals prepared for them by the shelter. These residents shall be considered individual households for purposes of applying for and participating in the Food Stamp Program and shall be entitled to expedited services.
- 2 A shelter that provides meals to its eligible residents is exempt from the definition of institution and may apply through FNS for authorization as a retail food store to redeem food coupons directly through wholesalers.
- 3 An eligible shelter resident who left a food stamp certified household shall complete a new application to receive an additional food stamp allotment. While a resident of the shelter, she shall apply as a separate household only once a month, in accordance with Section 63-503.461.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Sections 63-017, 63-017.1, .2, and .3 as Handbook material to read:

63-017 IMPLEMENTATION OF REGULATIONS FOR CERTIFICATION 63-017
OF RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN

Counties shall implement the provisions of eligibility for food stamps for residents of shelters for battered women and children promulgated by Public Law 96-249 to amend the Food Stamp Act of 1977.

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- .1 On the first of the month at least 30 days after regulations are filed, counties shall implement the revised policy permitting a woman or woman with children who are temporarily residents of a shelter for battered women and children to use food coupons to purchase meals prepared for them by the shelter. These residents shall be considered individual households for purposes of applying for and participating in the Food Stamp Program and shall be entitled to expedited services.
- .2 A shelter that provides meals to its eligible residents is exempt from the definition of institution and may apply through FNS for authorization as a retail food store to redeem food coupons directly through wholesalers.
- .3 An eligible shelter resident who left a food stamp certified household shall complete a new application to receive an additional food stamp allotment. While a resident of the shelter, she shall apply as a separate household only once a month, in accordance with Section 63-503.461.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-018.

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63-018 ~~IMPLEMENTATION OF REGULATIONS FOR DRUG AND ALCOHOLIC REHABILITATION CENTERS~~ 63-018

Counties shall implement the revised regulations for Drug and Alcoholic Rehabilitation Centers promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977 on the first day of the month and at least thirty (30) days after filing with Secretary of State.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-018 as Handbook material to read:

63-018 IMPLEMENTATION OF REGULATIONS FOR DRUG AND
ALCOHOLIC REHABILITATION CENTERS

63-013

Counties shall implement the revised regulations for Drug and Alcoholic Rehabilitation Centers promulgated by Public Law 96-58 to amend the Food Stamp Act of 1977 on the first day of the month and at least thirty (30) days after filing with Secretary of State.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-021.

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63-021 ~~IMPLEMENTATION OF REVISED GROUP LIVING ARRANGEMENTS~~

63-021

Counties shall implement the Group Living Arrangement/Foster Care regulations. Manual Sections 63-102(ff), 63-102.4 and .622 and 63-503.571 on the first day of the first month following 30 days after filing of the regulations with the Secretary of State.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-021 as Handbook material to read:

63-021 IMPLEMENTATION OF REVISED GROUP LIVING
ARRANGEMENTS

63-021

Counties shall implement the Group Living Arrangement/Foster Care regulations, Manual Sections 63-102(ff), 63-402.4 and .622 and 63-503.571 on the first day of the first month following 30 days after filing of the regulations with the Secretary of State.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

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Repeal Section 63-022, 63-022.1 and .2.

63-022 ~~IMPLEMENTATION OF INCOME AND RESOURCES OF INELIGIBLE ALIENS; REPORTING ILLEGAL ALIENS, ELIMINATING DEPRECIATIONS AS A COST OF REDUCING SELF EMPLOYMENT INCOME, TECHNICAL AMENDMENTS AND OTHER PROVISIONS FROM THE 1980 AMENDMENTS TO THE FOOD STAMP ACT OF 1977~~ 63-022

The CWDs shall implement these revised regulations as follows:

- 1 Beginning the first of the month thirty days after the filing of these revisions with the Secretary of State, the CWD shall implement for all new applications and recertifications.
- 2 Currently certified households shall be converted to the required program changes at the time of recertification or any time a case file is reviewed prior to recertification and sufficient information is contained in the casefile to permit conversion without additional contact with the household.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

HANDBOOK

Adopt Section 63-022, 63-022.1 and .2 as Handbook material to read:

63-022 IMPLEMENTATION OF INCOME AND RESOURCES OF INELIGIBLE ALIENS, REPORTING ILLEGAL ALIENS, ELIMINATING DEPRECIATIONS AS A COST OF REDUCING SELF EMPLOYMENT INCOME, TECHNICAL AMENDMENTS AND OTHER PROVISIONS FROM THE 1980 AMENDMENTS TO THE FOOD STAMP ACT OF 1977 63-022

The CWDs shall implement these revised regulations as follows:

- 1 Beginning the first of the month thirty days after the filing of these revisions with the Secretary of State, the CWD shall implement for all new applications and recertifications.
- 2 Currently certified households shall be converted to the required program changes at the time of recertification or any time a case file is reviewed prior to recertification and sufficient information is contained in the casefile to permit conversion without additional contact with the household.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-023.

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63-023 ~~IMPLEMENTATION OF REVISED PROVISIONS ON TRANSFER 63-023
OF CERTIFICATION, STAFFING STANDARDS, TREATMENT
CENTERS, AND NOTICE OF ACTION~~

Beginning December 1, 1983, CWS shall implement the revised provisions on the elimination of the 60-day transfer of certification (Sections 63-201.6, 63-504.36, 63-708.3, and 63-802.22) and staffing standards (Section 63-202.2), promulgated by Public Law (7 USC 2015) 97-98 to amend the Food Stamp Act of 1977, and program clarification on treatment centers (Sections 63-503.563 and .567).

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-023 as Handbook material to read:

63-023 IMPLEMENTATION OF REVISED PROVISIONS ON TRANSFER 63-023
OF CERTIFICATION, STAFFING STANDARDS, TREATMENT
CENTERS, AND NOTICE OF ACTION

Beginning December 1, 1983, CWDs shall implement the revised provisions on the elimination of the 60-day transfer of certification (Sections 63-201.6, 63-504.36, 63-708.3, and 63-802.22) and staffing standards (Section 63-202.2), promulgated by Public Law (7 USC 2015) 97-98 to amend the Food Stamp Act of 1977, and program clarification on treatment centers (Sections 63-503.563 and .567).

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-024, 63-024.1, .11, and .12.

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63-024 IMPLEMENTATION OF MAIL ISSUANCE LOSS TOLERANCE 63-024
LEVELS

1. These emergency provisions for mail issuance loss tolerance levels, based on provisions of the Food Stamp and Commodity Distribution Amendments of 1981 (7 USC 2016(f)) shall become effective as follows:
 - 11 The mail issuance loss rates of 0.75 percent and \$2,250 as specified in 63-603.19 are effective January 1, 1983, through September 30, 1983, unless exempted by FNS.
 - 12 The mail issuance loss rate of 0.5 percent and \$1,500 as specified in 63-603.19 are effective October 1, 1983.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Section 11349.1 and 11349.7.

Adopt Section 63-024, 63-024.1, .11, and .12 as Handbook material to read:

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63-024 IMPLEMENTATION OF MAIL ISSUANCE LOSS TOLERANCE 63-024
LEVELS

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1. These emergency provisions for mail issuance loss tolerance levels, based on provisions of the Food Stamp and Commodity Distribution Amendments of 1981 (7 USC 2016(f)) shall become effective as follows:

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- 11 The mail issuance loss rates of 0.75 percent and \$2,250 as specified in 63-603.19 are effective January 1, 1983, through September 30, 1983, unless exempted by FNS.
- 12 The mail issuance loss rate of 0.5 percent and \$1,500 as specified in 63-603.19 are effective October 1, 1983.

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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-025, 63-025.1 and .2.

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63-025 IMPLEMENTATION OF PRORATED STANDARD UTILITY ALLOWANCE 63-025

Effective May 5, 1983 the CWDs shall prorate the Standard Utility Allowance, for multiple households, pursuant to changes in Division 63, Chapters 63-300; 63-502.361, .362, and .363; 63-503.543; and 63-504.341, made in compliance with Public Law 97-253 [7 USC 2014(e)], as follows:

- 1 Upon the effective date of these regulations, the revised provisions shall be applied to all new applications.
- 2 Currently certified households shall be converted at the time of recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-025, 63-025.1 and .2 as Handbook material to read:

H 63-025 IMPLEMENTATION OF PRORATED STANDARD UTILITY ALLOWANCE **63-025**

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N Effective May 5, 1983 the CWDs shall prorate the Standard Utility Allowance, for multiple households, pursuant to changes in Division 63, Chapters 63-300; 63-502.361, .362, and .363; 63-503.543; and 63-504.341, made in compliance with Public Law 97-253 [7 USC 2014(e)], as follows:

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- B** •1 Upon the effective date of these regulations, the revised provisions shall be applied to all new applications.
- O** •2 Currently certified households shall be converted at the time of recertification.
- K**

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

R Repeal Section 63-026.

E 63-026 IMPLEMENTATION OF REPLACEMENT AMENDMENTS 63-026

P Counties shall implement the provisions of the amended
E regulations for replacements of ATPs and coupons, promulgated by
A Public Law 95-113 (Food Stamp Act of 1977) on March 3, 1983.
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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Section 11349.1 and 11349.7.

Adopt Section 63-026 as Handbook material to read:

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63-026 IMPLEMENTATION OF REPLACEMENT AMENDMENTS 63-026

Counties shall implement the provisions of the amended regulations for replacements of ATPs and coupons, promulgated by Public Law 95-113 (Food Stamp Act of 1977) on March 3, 1983.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

R Repeal Section 63-027.

R | 63-027 ~~IMPLEMENTATION OF PHOTO ID LIABILITY~~ 63-027

E | CWDs shall implement the provisions concerning photo ID liability
P | promulgated by Public Law 97-98 immediately upon filing with the
E | Secretary of State.
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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-027 as Handbook material to read:

63-027 IMPLEMENTATION OF PHOTO ID LIABILITY

63-027

CWDs shall implement the provisions concerning photo ID liability promulgated by Public Law 97-98 immediately upon filing with the Secretary of State.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-028, 63-028.1 and .2.

~~63-028~~ IMPLEMENTATION OF SSN OF ALL FOOD STAMP
HOUSEHOLDS

63-028

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Sections 63-404 through 63-404.6 as amended herein, pursuant to Public Law 97-98 (7 USC 2025(e)), shall become effective immediately upon filing with the Secretary of State, as follows:

- 1 Upon the effective date of these regulations, the revised provisions shall apply to all new applications.
- 2 Currently certified households shall be converted to the revised provisions at the time of recertification or anytime the casefile is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-028, 63-028.1 and .2 as Handbook material to read:

H 63-028 IMPLEMENTATION OF SSN OF ALL FOOD STAMP HOUSEHOLDS 63-028

Sections 63-404 through 63-404.6 as amended herein, pursuant to Public Law 97-98 (7 USC 2025(e)), shall become effective immediately upon filing with the Secretary of State, as follows:

- 1 Upon the effective date of these regulations, the revised provisions shall apply to all new applications.
 - 2 Currently certified households shall be converted to the revised provisions at the time of recertification or anytime the casefile is reviewed prior to recertification.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-029.

~~63-029~~ IMPLEMENTATION OF GROSS AND NET INCOME STANDARDS 63-029

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CWDs shall implement the provisions for gross and net income maximums promulgated by 7 USC 2014(e), (Public Law 97-253) as follows:

Beginning July 1, 1983 both the gross and net income standards shall be applied to all new applicant households in which there are no elderly or disabled household members. For currently participating households with no elderly or disabled household members, income eligibility shall be redetermined using both income standards by the time of the next budget recomputation or at recertification, whichever occurs first. This does not preclude the CWD from converting the entire caseload effective July 1, 1983.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-029 as Handbook material to read:

H 63-029 IMPLEMENTATION OF GROSS AND NET INCOME STANDARDS 63-029

A CWDs shall implement the provisions for gross and net income maximums promulgated by 7 USC 2014(e), (Public Law 97-253) as follows:

D Beginning July 1, 1983 both the gross and net income standards shall be applied to all new applicant households in which there are no elderly or disabled household members. For currently participating households with no elderly or disabled household members, income eligibility shall be redetermined using both income standards by the time of the next budget recomputation or at recertification, whichever occurs first. This does not preclude the CWD from converting the entire caseload effective July 1, 1983.

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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-030.

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63-030 ~~IMPLEMENTATION OF EXPEDITED SERVICE PROVISIONS~~ 63-030

CWDs shall implement these emergency regulations on Expedited Services promulgated in response to Public Law 97-253, 7 USC 2020(e)(9), which amends the Food Stamp Act of 1977, effective on the first of July 1983.

Sections covered by this order are: 63-107, 301, and 503.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

HANDBOOK

Adopt Section 63-030 as Handbook material to read:

63-030 IMPLEMENTATION OF EXPEDITED SERVICE PROVISIONS 63-030

CWDs shall implement these emergency regulations on Expedited Services promulgated in response to Public Law 97-253, 7 USC 2020(e)(9), which amends the Food Stamp Act of 1977, effective on the first of July 1983.

Sections covered by this order are: 63-107, 301, and 503.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-053 to read:

63-053 IMPLEMENTATION OF AB 1111 FOOD STAMP REPEAL

63-053

- .1 The revisions to the following sections shall become effective on the first day of the month following 30 days after filing with the Secretary of State: 63-001, .1, .2, .3, .31, .32, .33, .4, and .5; 63-002, 63-003, .1, .2, and .3; 63-004, .1 and .2; 63-005, .1, and .2; 63-006, 63-007, 63-008, .1, and .2; 63-009, .1, and .2; 63-010, .1, and .2, and .3; 63-011, .1, and .2, and .3; 63-012, 63-013, 63-014, 63-015, .1, .11, .12, and .13; 63-016, 63-017, .1, and .2, and .3; 63-018, 63-021, 63-022, .1 and .2; 63-023, 63-024, .1, .11, and .12; 63-025, .1 and .2; 63-026, 63-027, 63-028, .1 and .2; 63-029, and 63-030, 63-101.2; 63-106.1, .11, .13, .2, .3, .4, .41, .42, .43, .44, .5, .51, .52, .521, .522(a)(b)(c), .523(a) through (d), .524, .525, .526, .6, .7, .71, .711, .712, .73, and .714(a) through (c); 63-107.2; 63-108; 63-300.34, (1), (2), and (3); 63-402.7, .71, .72, and .73; 63-502, .331(a)(1), (2)(b)(c) and (d); 63-504.813, .504.862; 63-603, .16, and .17; 63-701 e and 1; and 63-706.13.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554 and 18902.

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Repeal Section 63-101.2.

63-100 GENERAL PROVISIONS 63-100

63-101 GENERAL PURPOSE AND SCOPE (Continued) 63-101

.2 ~~Scope of the Regulations~~

~~Chapter 100 contains general information, definitions, and other material applicable to Food Stamp Program operations. Chapter 200 sets administration of the Program. Chapter 300 describes the application processing requirements and standards. Chapters 400 and 500 describe the eligibility standards and criteria to be applied by CWD in certifying applicant households. Chapter 600 sets forth requirements and procedures for food coupon issuance, use, replacement, and close-out activities. Chapter 700 provides procedures for coupon ordering and CWD responsibilities in maintaining coupon accountability. Chapter 800 describes the corrective actions for under/overissuances, wrongful denials or terminations, recipient fraud, etc. Chapter 900 explains procedures for issuing emergency coupon allotments to certain victims of disasters unable to purchase adequate amounts of food. Chapter 1000 sets forth the state/county coordinated Outreach Program responsibilities. Chapter 1100 contains all the federal and state forms that are required in the administration of the Food Stamp Program.~~

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

HANDBOOK

Adopt Section 63-101.2 as Handbook material to read:

63-100	GENERAL PROVISIONS	63-100
63-101	GENERAL PURPOSE AND SCOPE (Continued)	63-101

•2 Scope of the Regulations

Chapter 100 contains general information, definitions, and other material applicable to Food Stamp Program operations. Chapter 200 sets administration of the Program. Chapter 300 describes the application processing requirements and standards. Chapters 400 and 500 describe the eligibility standards and criteria to be applied by CWD in certifying applicant households. Chapter 600 sets forth requirements and procedures for food coupon issuance, use, replacement, and close-out activities. Chapter 700 provides procedures for coupon ordering and CWD responsibilities in maintaining coupon accountability. Chapter 800 describes the corrective actions for under/overissuances, wrongful denials or terminations, recipient intentional program violation. Chapter 900 explains procedures for issuing emergency coupon allotments to certain victims of disasters unable to purchase adequate amounts of food. Chapter 1000 sets forth Program Informational Activities. Chapter 1100 contains Tables of Coupon Issuance, including Net and Gross Income Standards, and the Income deductions (standard; dependent care/excess shelter and medical expenses; standard utility allowance, and reciprocal tables). Chapter 1200 contains all the federal and state forms that are required in the administration of the Food Stamp Program.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

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Repeal Sections 63-106, 63-106.1, .11, .12, .13, .2, .3; .4, .41, .42, .43, .44; .5, .51, .52, .521, .522(a)(b)(c), .523(a)-(d), .524, .525, .526; .6; .7, .71, .711, .712, .713, and .714(a)-(c).

63-106 DEMONSTRATION, RESEARCH, AND EVALUATION PROJECTS 63-106

.1 Authority

- 11 Demonstration Projects. Demonstration projects are those authorized by Section 17(b)(1) of the 1977 Food Stamp Act which states in part: The Secretary (of USDA) is authorized to conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects (hereafter called demonstration projects) designed to test program changes that might increase the efficiency of the Food Stamp Program and improve the delivery of food stamp benefits to eligible households. The Secretary is further authorized to waive all or part of the requirements of the act and to implement regulations to the degree necessary to conduct such projects, except that no project may be undertaken which would lower or further restrict the established income and resource standards or benefits levels.
- 12 Research Projects. Research projects are those authorized by Section 17(a) of the 1977 Food Stamp Act which states: The Secretary may, by way of making contracts with or grants to public or private organizations or agencies, undertake research that will help improve the administration and effectiveness of the Food Stamp Program in delivering nutrition related benefits.
- 13 Evaluation Projects. Evaluation projects are those authorized by Section 17(c) of the 1977 Food Stamp Act which states in part: The Secretary shall develop and implement measures for evaluating, on an annual or more frequent basis, the effectiveness of the Food Stamp Program in achieving its stated objectives.

.2 Project Initiation

The Secretary of USDA shall determine those areas of program operations which require demonstration, research, or evaluation efforts. In making these determinations, the Secretary shall consider suggestions submitted by state and county agencies and other interested parties. The Secretary shall, as appropriate, seek proposals for specific types of

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demonstration projects through either publication of a notice of intent in the Federal Register or in accordance with procedures prescribed in the federal procurement regulations (41 CFR, Ch.1).

•3 Eligibility

States or public or other nonprofit agencies or organizations or individuals are eligible for grants. Grants shall be subject to the appropriate provisions established in the Office of Management and Budget (OMB) Circular A-102, Uniform Administrative Requirements for Grants-In-Aid to State and Local Governments and Federal Management Circular(FMC) 74-4 Cost Principles Applicable to Grants and Contracts with State and Local Governments. States or public or private agencies or organizations or individuals are eligible for contracts.

•4 Federal Procedures for Approval of Proposals

- 41 Presubmission proposal review. All suggestions for project operations and formal proposals for such operations shall be subject to the application procedures contained in OMB Circular A-102. If projects will have a significant impact on normal ongoing program activities, such suggestions or proposals shall be reviewed in accordance with the procedures established in OMB Circular A-95, Evaluation, Review and Coordination of Federal and Federally Assisted Programs and Projects.
- 42 Proposals for demonstration, research or evaluation projects shall be reviewed by a panel consisting of appropriate FNS and USDA departmental representatives.
- 43 Representatives from other departments and agencies may be invited to participate in proposal review where proposed projects could affect their programs.
- 44 Proposals shall be ranked based on the criteria established in this section.

•5 Approval Criteria

- 51 Proposals shall be reviewed for responsiveness to the specific requirements contained in the Notice of Intent or request for proposal.
- 52 In addition, proposals will be evaluated according to the following general criteria:

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- 521 The conceptual development and clarity of measurable objectives.
 - 522 Probable effectiveness of the proposal to achieve the project objectives based on:
 - (a) A complete description of the purpose; hypotheses; demonstration, research, or evaluation design; and plans for implementation;
 - (b) The adequacy of the work plan, indicating tasks, scheduling, and methodology; and
 - (c) A technical evaluation plan consistent with the objectives stated.
 - 523 The capability of the applicant to conduct the project based on:
 - (a) A description of the qualifications of staff;
 - (b) Availability of necessary facilities, staff, and other resources;
 - (c) Administrative and supervisory capacity; and
 - (d) Knowledge of or previous experience in conducting demonstration, research, or evaluation projects.
 - 524 The projected cost of the project.
 - 525 For demonstration projects, potential benefits in relation to projected costs and potential nationwide application.
 - 526 The relationship of the proposal to other similar demonstration, research, or evaluation efforts.
- 6 Preoperational Rulemaking Procedures for Demonstration Projects

Prior to the initiation of a demonstration project FNS shall publish proposed regulations in the Federal Register, if the proposal will likely have significant impact on the public. The regulations shall set forth the specific operational procedures for the demonstration project and the provisions

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of the act and regulations which shall be waived. All public comments received shall be considered and final regulations published prior to actual project operation.

.7 Federal Financial Participation

.71 Level of Funding

- .711 Grant Awards. FNS shall pay all costs up to the level established in the grant award. When a demonstration project involves an area of ongoing state or county administrative responsibilities as established in Section 63-103 FNS may pay up to 100 percent only of those administrative costs which exceed those usual and customary to program operations.
- .712 Contracts. FNS shall pay all costs as established in the terms and conditions of the contract.
- .713 Additional Funding. The awarding of any funding for additional costs incurred when necessary to the successful completion of a project shall be subject to existing federal grant and contracting procedures.
- .714 Limitations. Federal financial participation shall be available to demonstration, research, and evaluation projects only for:
 - (a) Those activities and projects awarded by FNS. Funds shall not be transferred from one project to another;
 - (b) Those costs specified in the grant or contract up to the amount approved in the grant or contract; and
 - (c) Costs incurred during the project, as established in the grant or contract. Time extensions regarding the project may be granted where sufficient justification has been submitted to and approved by FNS.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Adopt Sections 63-106, 63-106.1, .11, .12, .13, .2, .3; .4, .41, .42, .43, .44; .5, .51, .52, .521, .522(a)(b)(c), .523(a)-(d), .524, .525, .526; .6; .7, .71, .711, .712, .713, and .714(a)-(c) as Handbook material to read:.

63-106 DEMONSTRATION, RESEARCH, AND EVALUATION PROJECTS 63-106

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•1 Authority

- 11 Demonstration Projects. Demonstration projects are those authorized by Section 17(b)(1) of the 1977 Food Stamp Act which states in part: The Secretary (of USDA) is authorized to conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects (hereafter called demonstration projects) designed to test program changes that might increase the efficiency of the Food Stamp Program and improve the delivery of food stamp benefits to eligible households. The Secretary is further authorized to waive all or part of the requirements of the act and to implement regulations to the degree necessary to conduct such projects, except that no project may be undertaken which would lower or further restrict the established income and resource standards or benefit levels.
- 12 Research Projects. Research projects are those authorized by Section 17(a) of the 1977 Food Stamp Act which states: The Secretary may, by way of making contracts with or grants to public or private organizations or agencies, undertake research that will help improve the administration and effectiveness of the Food Stamp Program in delivering nutrition related benefits.
- 13 Evaluation Projects. Evaluation projects are those authorized by Section 17(c) of the 1977 Food Stamp Act which states in part: The Secretary shall develop and implement measures for evaluating, on an annual or more frequent basis, the effectiveness of the Food Stamp Program in achieving its stated objectives.

•2 Project Initiation

The Secretary of USDA shall determine those areas of program operations which require demonstration, research, or evaluation efforts. In making these determinations, the Secretary shall consider suggestions submitted by state and county agencies and other interested parties. The Secretary

shall, as appropriate, seek proposals for specific types of demonstration projects through either publication of a notice of intent in the Federal Register or in accordance with procedures prescribed in the federal procurement regulations (41 CFR, Ch.1).

H •3 Eligibility

States or public or other nonprofit agencies or organizations or individuals are eligible for grants. Grants shall be subject to the appropriate provisions established in the Office of Management and Budget (OMB) Circular A-102, Uniform Administrative Requirements for Grants-In-Aid to State and Local Governments and Federal Management Circular(FMC) 74-4 Cost Principles Applicable to Grants and Contracts With State and Local Governments. States or public or private agencies or organizations or individuals are eligible for contracts.

A •4 Federal Procedures for Approval of Proposals

- N** •41 Presubmission proposal review. All suggestions for project operations and formal proposals for such operations shall be subject to the application procedures contained in OMB Circular A-102. If projects will have a significant impact on normal ongoing program activities, such suggestions or proposals shall be reviewed in accordance with the procedures established in OMB Circular A-95, Evaluation, Review and Coordination of Federal and Federally Assisted Programs and Projects.
- D** •42 Proposals for demonstration, research or evaluation projects shall be reviewed by a panel consisting of appropriate FNS and USDA departmental representatives.
- B** •43 Representatives from other departments and agencies may be invited to participate in proposal review where proposed projects could affect their programs.
- O** •44 Proposals shall be ranked based on the criteria established in this section.

K •5 Approval Criteria

- 51 Proposals shall be reviewed for responsiveness to the specific requirements contained in the Notice of Intent or request for proposal.
- 52 In addition, proposals will be evaluated according to the following general criteria:

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- 521 The conceptual development and clarity of measurable objectives.
 - 522 Probable effectiveness of the proposal to achieve the project objectives based on:
 - (a) A complete description of the purpose; hypotheses; demonstration, research, or evaluation design; and plans for implementation;
 - (b) The adequacy of the work plan, indicating tasks, scheduling, and methodology; and
 - (c) A technical evaluation plan consistent with the objectives stated.
 - 523 The capability of the applicant to conduct the project based on:
 - (a) A description of the qualifications of staff;
 - (b) Availability of necessary facilities, staff, and other resources;
 - (c) Administrative and supervisory capacity; and
 - (d) Knowledge of or previous experience in conducting demonstration, research, or evaluation projects.
 - 524 The projected cost of the project.
 - 525 For demonstration projects, potential benefits in relation to projected costs and potential nationwide application.
 - 526 The relationship of the proposal to other similar demonstration, research, or evaluation efforts.

6 Preoperational Rulemaking Procedures for Demonstration Projects

Prior to the initiation of a demonstration project FNS shall publish proposed regulations in the Federal Register, if the proposal will likely have significant impact on the public. The regulations shall set forth the specific operational procedures for the demonstration project and the provisions

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of the act and regulations which shall be waived. All public comments received shall be considered and final regulations published prior to actual project operation.

.7 Federal Financial Participation

.71 Level of Funding

- .711 **Grant Awards.** FNS shall pay all costs up to the level established in the grant award. When a demonstration project involves an area of ongoing state or county administrative responsibilities as established in Section 63-103 FNS may pay up to 100 percent only of those administrative costs which exceed those usual and customary to program operations.
- .712 **Contracts.** FNS shall pay all costs as established in the terms and conditions of the contract.
- .713 **Additional Funding.** The awarding of any funding for additional costs incurred when necessary to the successful completion of a project shall be subject to existing federal grant and contracting procedures.
- .714 **Limitations.** Federal financial participation shall be available to demonstration, research, and evaluation projects only for:
 - (a) Those activities and projects awarded by FNS. Funds shall not be transferred from one project to another;
 - (b) Those costs specified in the grant or contract up to the amount approved in the grant or contract; and
 - (c) Costs incurred during the project, as established in the grant or contract. Time extensions regarding the project may be granted where sufficient justification has been submitted to and approved by FNS.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-107.22 and .232. Renumber Section 63-108.11 to 63-107.21 and Section 63-107.21 to 63-107.22, and Amend Section 63-107.2, .21, and .22 to read:

63-107 BENEFIT REDUCTION, SUSPENSION, OR CANCELLATION 63-107
PROCEDURES (Continued)

.2 Reductions

If a reduction in allotments is deemed necessary, allotments shall be reduced by reducing Thrifty Food Plan amounts for each household size by the same percentage specified by SDSS.

.21 Counties shall multiply the Thrifty Food Plan amounts by theis percentage specified in the state's notice; round the results to the nearest dollar amount; i.e., round down if it ends in 1 through 49 cents and round it up if it ends in 50 through 99 cents. Subtract the results from the normal Thrifty Food Plan amount.

.22 All one- and two-person households affected by a reduction action shall be guaranteed a minimum benefit of \$10 unless the action is a cancellation of benefits, a suspension of benefits, or a reduction of benefits of 90 percent or more of the total amount of benefits projected to be issued during the affected month.

.22 Reduction Method

If a reduction in allotments is necessary, the Thrifty Food Plan amounts shall be reduced by a percentage specified by SDSS.

.23 Implementation of Allotment Reductions

If a decision is made to reduce monthly food stamp allotments, SDSS will notify CWDs when the reduction is to take effect and by what percentage the Thrifty Food Plan amounts for each household size are to be reduced.

.231 Upon receiving notification that a reduction is to be made in a future month's allotment, CWDs shall act immediately to implement the reduction.

(a) Where there are computerized issuance systems, the program used for calculating allotments shall be altered to reflect the

appropriate percentage reduction in the Thrifty Food Plan for each household size and the computer program shall be adjusted to allow for a minimum benefit of \$10 for one and two-person households. The computer program shall also be adjusted to provide for the rounding of benefit levels of \$1, \$3, and \$5 to \$2, \$4, and \$6 respectively.

- (b) Where manual issuance is used, CWDs shall reproduce the revised issuance tables provided by SDSS and distribute them to issuance personnel. It is the responsibility of the CWD to ensure that sufficient copies are distributed to issuance agents and personnel in time to allow benefit reduction during the month ordered by SDSS.
- (c) In an HIR card issuance system, the CWD has the option to reduce benefits by changing all HIR cards before issuance for the affected month or by adjusting individual HIR cards when the household appears at the issuance office.

*232 All households determined eligible for their initial month's benefits in a month in which a reduction of benefits is in effect shall have their initial month benefits prorated in accordance with Section 63-503-~~etc~~

- Authority: Welfare and Institutions Code Sections 10553 and 18904.
- Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-108; 63-108.1, .12, .2, .3, .4, .5, and .6.

63-108 ~~CALCULATING NET INCOME AND BENEFIT LEVELS DURING 63-108 A MONTH WHEN A REDUCTION, SUSPENSION, OR CANCELLATION OF ALLOTMENTS HAS BEEN ORDERED~~

Eligible households shall have their benefits calculated as follows:

- 1 If a benefit reduction is ordered, counties shall reduce the Thrifty Food Plan amounts for each size by the percentage ordered in the state's notice of benefit reduction.
- 11 Counties shall multiply the Thrifty Food Plan amounts by the percentage specified in the state's notice; round the results to the nearest dollar amount; i.e., round down if it ends in 1 through 49 cents and round it up if it ends in 50 through 99 cents. Subtract the results from the normal Thrifty Food Plan amount.
- 12 In calculating benefit levels for eligible households, counties would follow the procedure detailed above and substitute the reduced Thrifty Food Plan for the normal Thrifty Food Plan amounts.
- 2 Except as provided in 63-108.3 below, if the reduced benefit calculation is less than \$10, the household shall be provided a minimum benefit of \$10.
- 3 In the event that the national reduction in benefits is in excess of 90 percent of the benefits projected to be issued for the affected month, the provision for a minimum benefit may be disregarded and all households may have their benefits lowered by reducing Thrifty Food Plan amounts by the percentage specified by the state.
- 4 The benefit reduction notice issued by the state to enact a benefit reduction will specify whether minimum benefits are to be provided to households.
- 5 If the action in effect is a suspension or cancellation, eligible households shall have their allotment levels calculated according to the procedures set forth in 63-503.3. However, the allotments shall not be issued for the month the suspension or cancellation is in effect. The provision for a \$10 minimum benefit shall be disregarded and all households shall have their benefits suspended or cancelled for the designated month.

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- 6 In the event of a suspension or cancellation or a reduction exceeding 90 percent of the affected month's projected issuance, all households including one and two person households, shall have their benefits suspended, cancelled, or reduced by the percentage specified by the state.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-300.34; 63-300.34(1), (2), and (3).

63-300 APPLICATION PROCESS (Continued)

63-300

.3 Filing, Notice of Right to File and Withdrawal (Continued)

.34 Identifying Special Need Cases

R E P E A L | The CWD's application procedures shall be designed to identify applicant households that are eligible for the following special need provisions:

- (1) Expedited Services (Section 63-301.5);
- (2) Excess medical cost deduction for elderly and disabled household members (Section 63-502.33);
- (3) Separately computed dependent care and shelter cost deductions for elderly and disabled household members (Sections 63-502.33 and .34).

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-402.7; 63-402.71, .72, .73, Renumber Sections 63-402.8 and 63-402.9 and .91 to Sections 63-402.7 and .8 and .91 respectively.

63-402 HOUSEHOLD CONCEPT (Continued)

63-402

- *7 HAMs Whenever the AFDC worker determines that an Unrelated Adult Mate (UAM) is residing with a family applying for or receiving AFDC each case must be examined individually to assess whether the UAM is a roomer or boarder a household member or a separate household.
- *71 Single Household The UAM shall be considered a household member if he customarily purchases and prepares meats with the household.
- *72 Separate Household If otherwise the UAM shall be considered a separate food stamp household only if he customarily purchases and/or prepares meats apart from the household.
- *73 Boarders The UAM shall be considered a boarder if he pays reasonable compensation to the household for meats and meets the boarder criteria as specified in Section 63-402-37.

.87 Food Distribution Program

No household shall be allowed to participate simultaneously in the Food Stamp Program and the Food Distribution Program.

.98 Participation of Strikers

- *981 A striker is defined as anyone involved in a strike or concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement) or any concerted slowdown or interruption of operations by employees.

The following persons shall not be considered strikers:

- (a) employees whose workplace is closed by an employer in order to resist demands of employees (e.g., a lockout);
- (b) employees unable to work as a result of striking employees;

- (c) employees not wanting to cross a picket line due to fear of personal injury or death;
- (d) Individuals exempted from work registration by Section 63-407.2 on the day prior to the strike, other than those exempt solely on the grounds that they are employed.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-502.331; 63-502.331(a)(1) and (2), (b), (c), and (d); Rerumber Section 63-502.332 to 63-502.331.

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued) 63-502

•3 Income Deductions (Continued)

•33 Excess Medical Costs

Excess medical costs are that portion of medical expenses in excess of the amount per month as specified in Handbook Section 63-1101, excluding special diets, incurred by any household member who is elderly or disabled as defined in Section 63-102(1). Spouses or other persons receiving benefits as a dependent of the disability recipient are not eligible to receive this deduction.

*33+ When an eligible household member presents a medical bill other than for hospital expenses, the amount of the household's allowable medical cost is determined in the following manner:

tat Insured medical expenses+

t+ When the bill is submitted and the eligible household member is covered by Medicare or Blue Cross/Blue Shield or private insurance company, 20 percent of the total bill is the household's medical costs.

t2+ When the bill is submitted and the eligible household member is covered by Medi-Care the share of cost shown on the member's latest Record of Health Care Costs Form HC 177+ or the doctor's bill, whichever is less, is the household's medical costs.

If later reported and verified that the household's actual medical costs is in a greater or lesser amount than anticipated this is handled as a change report per Section 63-504+3+. If the change results in an increase or decrease in the household's benefit level beyond the limits of the

medicat expense fitting adjustment
action shall be taken in accordance
with Sections 63-504-321 and
63-504-322.

- (b) Uninsured medicat expenses+ the total amount of the uninsured medicat expenses incurred by an eligible household member and verified per Section 63-300-511 is the amount of the household's medicat costs if a Medi-Cat bill is submitted for an allowable medicat expense incurred but not covered by Medi-Cat, the full amount billed is the household's medicat cost regardless of the member's share of costs.
- (c) Hospital bills+ the total amount of the nonreimbursable portion of the medicat expense shown on the final bill from the preliminary statement as due and payable by the eligible household member is the household's medicat costs.
- (d) Eligible household members who have coverage by more than one health insurance policy (except for Medi-Cat/Medicare and Blue Cross/Blue Shield) receive the medicat deduction only after all reimbursements and/or payment have been received or verified.

•3321 Allowable medical expense items are:

- (a) Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner or other qualified health professional authorized by state law (see Section 63-102);
- (b) Hospitalization or outpatient treatment, nursing care, and nursing home care, including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home, provided by a facility authorized under state law;
- (c) Prescription drugs when prescribed by a licensed practitioner authorized under

- state law and other over-the-counter medication (including insulin) when prescribed by a licensed practitioner or other qualified health professional. In addition, costs of medical supplies, sick-room equipment (including rental) or other prescribed equipment are deductible;
- (d) Health and hospitalization insurance policy premiums. (The costs of sickness and accident policies such as those payable in lump-sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible);
 - (e) Medicare premiums related to coverage under Title XVIII of the Social Security Act; any share of cost or spend down expenses for medical costs incurred by Medi-Cal recipients;
 - (f) The cost of securing and maintaining a seeing eye, hearing or service (guard dog for the disabled) dog, and the cost of dog food and veterinarian bills;
 - (g) Eye glasses or contact lenses prescribed by a physician skilled in eye disease or by an optometrist; dentures, hearing aids and prosthetics (including assistive devices);

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Adopt Section 63-504.813 to read; and renumber existing Section 63-504.813 to 63-504.814.

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING (Continued) 63-504
ELIGIBILITY

.8 Photo ID Cards/Systems

.81 Mandatory Photo ID Cards

- .811 The use of photo ID cards is mandated in any county or portion thereof with 100,000 or more food stamp recipients.
- .812 In addition, FNS may designate at any time a county or portion thereof with less than 100,000 recipients, as requiring the use of photo ID cards, if determined that the institution of photo ID cards will be justified.
- .813 Any CWD that becomes subject to the photo ID card requirement shall come into full compliance no later than the first of the month that occurs 12 months after FNS notifies SDSS that the area is subject to the requirement.
- .8134 Any CWD may request that FNS mandate photo ID cards throughout its entire county by contacting SDSS.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554 and 18902.

Adopt new Section 63-504.862, and renumber existing Sections 63-504.862 through 63-504.864 to 63-504.863 through 63-504.865.

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING (Continued) 63-504
ELIGIBILITY

•8 Photo ID Cards/Systems (Continued)

•81 Mandatory Photo ID Cards (Continued)

•86 Issuance of Photo ID Cards

•861 The CWD shall provide households with reasonable access to photographing locations for food stamp photo ID cards.

•862 Photo ID card or an ID card annotated to indicate that the card is valid without a photograph shall be provided by the CWD at no charge to the household.

•862₃ The CWD shall replace photo ID cards, in accordance with Section 63-504.74, and in addition, when a new card is needed to update the photograph.

•863₄ New photo ID cards shall also be issued when a household member becomes 60 years of age and wants a card coded "CD" for communal dining or when a resident leaves a drug or alcoholic treatment center and is no longer exempt from photo ID.

•864₅ Whenever possible, the CWD shall collect photo ID cards when making a replacement.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554 and 18902.

Repeal Sections 63-603.16, and .17; and Renumber Sections 63-603.18 et. seq., and .19 et. seq. to 63-603.16 et. seq., and .17 et. seq., respectively.

63-603 MAIL ISSUANCE (Continued)

63-603

.1 General Provisions (Continued)

~~•16 Reporting Requirements~~

See Sections 63-705-6, 63-705-7 and 63-705-8.

~~•17 Replacement of Coupons Due to Mail Loss~~

See Sections 63-605-1, 63-605-2 and 63-605-3.

•186 Coupons Returned Undeliverable

When undelivered coupons are returned by the Postal Service, the Issuance Unit shall:

•1861 Note the returned coupons in the Mail Issuance Log (DFA 300) and keep them in secure storage while attempts are made to determine the cause of nondelivery.

•1862 If the cause of nondelivery was other than a move by the household (e.g., broken mailbox) remail the coupons or otherwise notify the household how to obtain the coupons.

•1863 If the cause of nondelivery was the result of a move by the household, request the Certification Unit to provide a new address.

a. If provided, update all relevant office records to reflect the new address, prepare a new envelope, and remail the coupons promptly to the new address. It must be noted in the "Remarks" section of the log that the coupons were remailed and the date of mailing.

b. If the new address is not provided, nor the recipient located, the Issuance Unit must record this information in its records and retain the coupons until the end of the month in case the household head contacts

the county and claims nonreceipt of coupons.

•1864 At the end of the month, the Issuance Unit shall return the coupons to inventory that have not been redelivered to the household. The return to inventory shall be noted on the log and on the "Return to Inventory" line of Form FNS-250, Food Coupon Accountability Report.

•197 Liability for Coupons Issued Through the Mail

Coupons are "in the mail" when deposited with the Postal Service. FNS will assume financial liability for all coupons lost in the mail if the coupons were issued in accordance with required policies and procedures except as follows:

- 1971 In a county where \$300,000 or more per quarter of coupons are issued in the mail the CWD shall be strictly liable for the value of all mail losses in excess of .5 percent of the dollar value of the total quarterly mail issuance.
- 1972 In a county where less than \$300,000 per quarter of coupons are issued in the mail the CWD shall be strictly liable for mail losses in excess of \$1,500 per quarter.
- 1973 For the purpose of this section, "mail issuance" means all original coupon issuances distributed through the mail. "Mail Loss" means all replacements of mail issuance except for replacements of returned mail issuances.
- 1974 The CWD shall report mail loss on the FNS 259, Mail Issuance Loss Report or other reporting documents specified by SDSS.
- 1975 The CWD shall be given a grace period from January through September of 1983 in which the mail losses in excess of .5 percent (per Section 63-603.191) shall be raised to .75 percent and mail losses in excess of \$1,500 (per Section 63-603.192) shall be raised to \$2,250 per quarter.

•2 ATP Mail Issuance

•21 Request for Mail Issuance

In an ATP mail issuance system, counties shall provide the household with a means of requesting mail issuance by the submission of their ATP card. This system may be accomplished by providing a space on the ATP for the recipient to designate mail issuance, or the use of a separate form in conjunction with the ATP card. The receipt of the ATP card with the proper designation would constitute a request for mail issuance.

The issuance transaction must be completed provided that the mail issuance request (a signed ATP or a separate form) is postmarked in the issuance month and is received by the mail issuance site by the fifth of the following month.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Sections 63-701 e and j; and Renumber Sections 63-701 f-i to 63-701 e-h:

63-700	COUPON ORDERING, STORAGE AND ACCOUNTABILITY	63-700
63-701	DEFINITIONS	63-701

a. Reporting Point

A reporting point is an office which prepares and submits to FNS a Form FNS 250.

b. Issuing Point

An issuing point is a location operated by an issuance agent which issues food coupons to recipients.

c. Storage Point

A storage point is a location where an issuance agent keeps or stores coupons.

d. Bulk Storage Point

A bulk storage point is a location which receives and stores food coupons from FNS for two or more agents and transfers them to issuance agents. It must report coupon inventories on Form FNS 250. Food coupons are not issued to recipients from bulk storage points.

e. Project Area

A project area is a county which has been approved for participation in the Food Stamp Program.

f. Shipping Point

The shipping point is a place which receives shipment of food coupons from FNS.

g. Shipping Code

The shipping code is a twelve (12) digit code number assigned to each shipping point. (Note that a twelve-digit shipping point code may be assigned to bulk storage, project areas, or issuing points that serve as places where shipment of food coupons from FNS are received.)

a. Project Area Code

The project area code is the nine-digit code number assigned to each county regardless of whether it issues coupons or not.

b. Reporting Code

The reporting point code is the nine-digit code assigned to each reporting point. In counties in which the CWD itself issues coupons, the project code and the CWD reporting point code will be the same. CWDs not currently issuing but which wish to begin doing so must ensure that their project code is activated as a reporting point before they begin issuance.

c. Security and Control Checks

Recommended for use by county agencies when reviewing all HFR or AFP systems to determine whether procedures, controls and security measures outlined in Chapter 63-600 and 63-700 are being observed. (See Section 63-1100.)

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

Repeal Section 63-706.13 and Rerumber current Sections 63-706.14, .15, and .16 to Sections 63-706.13, .14, and .15:

63-706 ATP/HIR RECONCILIATION

63-706

.1 Reconciliation

- 11 In ATP issuance systems, the county shall verify the number of transacted ATPs received from the coupon issuers and the total value of documented coupon issuances. (See Section 63-706.3 for more details on processing and reconciliation of executed ATP cards.)
- 111 ATP batches not reconciled shall be maintained intact by the county until the discrepancy is resolved with the coupon issuer.
- 112 Following receipt and verification of the final batch of ATPs for the month, the county shall determine the total value of authorized issuances for each coupon issuer. Any expired or out-of-county or state ATPs shall be handled as coupon issuer errors and shall not be reported as documented issuances. (See Section 63-706.4.)
- 12 The county shall clearly differentiate between initial, supplemental, and replacement ATP issuances in its accountability system.
- 13 The coupon issuer shall reconcile its issuance on a daily basis.
- 143 Reconciliation of ATPs with the HIR Master File

The county shall post and reconcile all transacted ATPs against the HIR master file. The reconciliation of ATPs shall be accomplished at the level in the county where the HIR was created from the Notices of Change. This posting and reconciliation shall, at a minimum, include for each ATP a comparison of the total coupon allotment. The county shall merge the records of the manually prepared initial, supplemental, and replacement ATP issuances with the HIR master file prior to posting and reconciling the transacted ATPs. Because ATPs issued after the 25th of the month may be redeemed in the following month and because supplemental ATPs may be issued during the month, the county shall establish a mechanism for the redemption and reconciliation of more

than one valid ATP in one month. However, ATPs issued to replace ATPs reported lost or stolen shall be separately identifiable, as the transaction of both the original and replacement ATP represents a duplicate issuance which must be so reported.

.154 Identification of Unreconciled ATPs

The county shall identify all transacted ATPs that are not reconciled with the HIR master file as expired, duplicated, altered, stolen, counterfeit, or out of county. This identification shall be used to establish the liabilities of the county for determination of corrective or claims action.

.155 HIR Reconciliation to the Case Files

In an HIR issuance system, the county shall conduct a semiannual comparison of the active and inactive HIR cards against the case files. At a minimum, 20 percent of both open and closed HIR cards shall be selected at random for the comparison. The county may limit selection of cases for review to those which were active during the previous six months. If the county discovers an HIR card during the review for which a case file cannot be located, the county shall conduct a total review of the active case files. The county shall immediately document and report any discrepancies discovered during the semiannual review to FNS.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10553, and Government Code Sections 11349.1 and 11349.7.

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APPROVED FOR FILING
APR 30 1986

Office of Administrative Law
For use of Office of Adm Law

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

State Department of Social Services

Judie S. Makulow
AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: April 17, 1986

TITLE

TELEPHONE

445-0313

1. AGENCY CONTACT PERSON FOR THIS FILING
(See Instructions)

Rosalie Clark

Office of Regulations, Bureau Chief

2. Type of filing, (check one) 30-day Review

Emergency

Certificate of Compliance
(Complete Part 4 below)

Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)

Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

SECTIONS ADOPTED:

Title 22
63-058

SECTIONS AMENDED: 63-300.516; 63-409.1-.122 et. seq.; 63-501.64 and .8; 63-502.3 and .35; 63-503.311(a)-(g), .312(a)-(h), .321, .492(a)(2)(A)(1), and (a)(2)(B)

SECTIONS REPEALED:

63-504.39 and .391(a); and 63-900.541(d)

b. The following sections listed in 3a contain modifications to the text originally made available to the public:

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e). The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

prior to the emergency adoption

within 420 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

No Yes, if yes, give date(s) of prior submittal(s) to OAL:

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

No Yes, if yes, give date statement was submitted to OAL

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

Fair Political Practices Commission
(Include FPPC approval stamp)

Building Standards Commission
(Attach approval)

State Fire Marshall (Attach approval)

Department of Finance (Attach properly signed Std. 399)

Other _____
(SPECIFY AGENCY)

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA
ADMINISTRATIVE NOTICE REGISTER

Not Applicable

b. DATE OF FINAL AGENCY ACTION

April 21 1986

c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT.
CODE SEC. 11346.8(c))

Not Applicable

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

a. Effective 30th day after filing with the Secretary of State.

b. Effective upon filing with the Secretary of State.

c. Effective on _____ as required or allowed by the following statute(s): _____

d. Effective on May 1, 1986 (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d)).

Attach request demonstrating good cause for early effective date. Request subject to OAL approval.

e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

ORD 0386-16

FILED

In the office of the Secretary of State
of the State of California

MAY 1 - 1986
At 4:37 o'clock P.M.
MARCH FONG EU, Secretary of State
By *Margie Hershberger*
Deputy Secretary of State

For use by Secretary of State only

Adopt Section 63-058 to read:

63-058

IMPLEMENTATION OF THE FOOD STAMP FARM BILL
REVISIONS (PL 99-198) - INCOME DEDUCTIONS
AND RESOURCE LIMITS

63-058

Effective May 1, 1986, the CWDs shall implement the revised provisions related to the amended income deductions and resource limits in Sections 63-300.516; 63-409.1 et seq.; 63-501.64 and .8; 63-502.3, .32; and .35; 63-503.311(b); (e), and (g); 63-503.312(b); 63-503.321; 63-503.492(a)(2)(A)(i) and (B) and (b)(2); 63-504.39 and .391(a); and 63-900.541(d)(2).

- .1 These revised provisions shall be used to calculate food stamp benefits beginning with the May 1986 allotments for new and continuing households.
- .2 If for any reason the CWD does not implement these revised provisions by May 1, 1986, households shall be provided the lost benefits which they would have received if the provisions had been implemented by that date.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18902 and 7 CFR 272.1(g)(74).

Amend Section 63-300.516 to read:

63-300 APPLICATION PROCESS (Continued)

63-300

.5 Verification (Continued)

.51 Mandatory Verification (Continued)

.516 Continuing Shelter Expenses

Those shelter costs specified in Section 63-502.35, other than utilities, shall be verified if allowing the expense could potentially result in a deduction. For example, if the household's child care expenses exceeded the maximum for combined dependent care/excess shelter deduction, rent would not be verified since the amount of rent could not affect the amount of the deduction. However, verification shall be accomplished if the amount of rent is questionable and there is strong indication that the expense could affect the amount of the deduction. Once this verification has been accomplished, the EW is not permitted to reverify this expense unless the household has moved, reported an increase in the amount of its shelter costs that would potentially affect the amount of the deduction (in which case only those changed individual costs would be reverified), or unless questionable as defined in Section 63-300.52.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10553 and 18901; 7 CFR 273.9(d)(4) and (5), and 7 CFR 273.10(e)(1)(i)(E).

Amend Section 63-409.1, .11, .111, .112, and .12 to read:

63-409 INCOME AND RESOURCE MAXIMUMS

63-409

.1 Requirements for Participation

Only those households with income and resources which do not exceed the maximum income and resource eligibility standards specified in Sections 63-409-.11 and -.12 shall be eligible to participate in the Food Stamp Program. The maximum income and resource eligibility standards are promulgated and updated by the USDA, and contained in tables reproduced in Handbook Section 63-1101.

.11 Maximum Income Eligibility Standards

CWDs shall implement the updated maximum income eligibility standards upon their effective date(s). Refer to Handbook Sections 63-1101-.6 and -.7 for the most recent maximum eligibility income standards and their effective date(s).

.111 Maximum Gross Income and Net Income Eligibility Standards

The CWD shall determine the eligibility of all households, except as provided in Section 63-409.112 based first on the maximum gross income. If the household is not eligible under this test the application shall be denied. If the household is gross income eligible then the net income eligibility standards reproduced in Handbook Section 63-1101-.6 shall be applied and appropriate denial or approval shall be made. These eligibility determinations shall be made in accordance with Sections 63-503.321 or .323, as appropriate.

.112 Maximum Net Income Eligibility Standards

The CWD shall determine the eligibility of households with a member who is elderly or disabled -as defined in Section 63-102(e)- based on the maximum net income eligibility standards reproduced in Handbook Section 63-1101-.6. These standards shall apply if a household contains a member who is 59 years old on the date of application but who will become 60 before the end of the month of application. This eligibility

determination shall be made in accordance with Sections 63-503.322 or .323, as appropriate.

.12 Maximum Resource Eligibility Standards

The CWD shall deny participation in the Food Stamp Program to any household whose nonexempt resources determined in accordance with Section 63-501, exceed the appropriate maximum resource eligibility standards specified in Handbook Sections 63-409-121101.21 and .122.

.121 For all households, except as provided in Section 63-409.122, the resource limit shall be \$1500 the amount specified in Handbook Section 63-1101.22.

.122 For any household with two or more members and which includes at least one member age 60 or older, the resource limit shall be \$3000 the amount specified in Handbook Section 63-1101.21.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10553, 18901, and 18904; 7 CFR 273.8(a) and (b).

Amend Sections 63-501.64 and .8 to read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.6 Transfer of Resources (Continued)

.64 The length of the disqualification period shall be based on the amount by which nonexempt transferred resources, when added to other countable resources, exceeds the allowable resource limits.

For example, if a one-person household with \$1,250 in a bank transferred ownership of a car worth \$5,000, \$250 of that transfer would be considered because the first \$4,500 of the car's value was exempt and an additional \$250 of the transferred asset would have been applied toward the \$1,500 resource limit.

For example, if a one-person household with \$1,250 in a bank-transferred ownership of a car worth \$5,500, \$250 of that transfer would be considered because the first \$4,500 of the car's value was exempt and an additional \$250 of the transferred asset would have been applied toward the \$2,000 resource limit.

The following chart will be used to determine the period of disqualification.

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.8 Categorical Resource Eligibility

Households in which all members receive AFDC benefits and whose income does not exceed the gross income eligibility standards in Handbook Section 63-1101.7 shall have satisfied the resource eligibility criteria of Section 63-501.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; 7 CFR 273.8(a) and (b).

Amend Sections 63-502.3, .32, and .35 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued) 63-502

.3 Income Deductions

The ~~counties~~ CWDs shall determine food stamp benefit level pursuant to the deductions contained in this section. The standard deduction, excess medical costs, and the maximum dependent care/excess shelter deduction are promulgated and updated by the USDA. The SDSS shall provide the updated standard deduction, excess medical costs, and maximum dependent care/excess shelter deduction, which are to be implemented upon their effective date. Refer to Handbook Section 63-1101 for the most recent standard deduction, excess medical costs, and maximum dependent care, excess shelter deduction and earned income deduction and their effective dates. Deductions shall be allowed only for the following household expenses:

.31 (Continued)

.32 Earned Income Deduction. ~~Eighteen~~A percentage of gross earned income as defined in Section 63-502.1. Earnings excluded in Section 63-502.2 shall not be included in gross earned income for purposes of computing the earned income deduction.

.33 (Continued)

.34 Dependent Care. Payments for the actual costs for the care of a child or other dependent when necessary for a household member to accept or continue employment, seek employment in compliance with the job search criteria (or an equivalent effort by those not subject to job search), or attend training or pursue education which is preparatory to employment. This deduction shall not exceed the current maximum as specified in Handbook Section 63-1101.

.35 Shelter Costs. Monthly shelter costs in excess of 50 percent of the household's income after all other applicable deductions in Sections 63-502.31, .32, .33 and .34 have been allowed. The shelter deduction alone, or in combination with the dependent care deduction in Section 63-502.34 shall not exceed the current maximum unless the household contains a member who is elderly or disabled as defined in Section 63-102(4e). Such households may receive a separate deduction for

dependent care not to exceed the current maximum. Additionally, they are entitled to an excess shelter deduction for the monthly amount that exceeds 50 percent of the household's monthly income after all other applicable deductions have been allowed regardless of whether or not dependent care costs are incurred or deducted. Shelter costs shall include only the following:

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; 7 CFR 273.9(a) and (d)(4).

Renumber Sections 63-503.311(A)-(G) to (a)-(g), respectively.
Renumber Sections 63-503.312(A)-(H) to (a)-(h), respectively.
Amend Sections 63-503.311(b), (e), and (g), .312(b), .321, .492(a)(2)(A)(i), (b), and (b)(2) to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.3 (Continued)

.31 (Continued)

.311 (Continued)

(Aa) (Continued)

(Bb) ~~Multiply Apply the total gross earned income by 82 percent deduction to the total gross earned income.~~

(Cc) (Continued)

(Dd) (Continued)

(Ee) Subtract monthly dependent care expenses, if any, up to the current maximum. If dependent care costs equal or exceed the maximum amount allowed, the household's net monthly income has been determined. If not, the household's excess shelter expenses shall be computed, in accordance with subparagraph (Ff) of this section.

(Ff) (Continued)

(Gg) Subtract the excess shelter cost (up to the current maximum) from the household's monthly income after all other deductions. The amount allowed for shelter is the current maximum minus the amount of dependent care expenses, if any. The household's net monthly income has been determined.

.312 (Continued)

(Aa) (Continued)

- (Bb) Multiply Apply the total gross earned income by 82 percent deduction to the total gross earned income.
- (Ec) (Continued)
- (Ed) (Continued)
- (Ee) (Continued)
- (Ef) (Continued)
- (Eg) (Continued)
- (Hh) (Continued)

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.3 (Continued)

.32. Eligibility and Benefits

.321 Monthly income, as defined in Sections 63-502.11 and 63-503.312 shall be compared to the gross and net monthly income eligibility standard for the appropriate household size to determine eligibility for all households, except as provided in Sections 63-503.322 and .323. (See Handbook Sections 63-1101.6 and .7 for the gross and net monthly income eligibility standards.)

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.4 (Continued)

.49 (Continued)

.492 Eligibility and Benefit Level (Continued)

(a) Income

(1) (Continued)

(2) Unearned income deemed available to the alien is determined as follows:

(A) Take the total monthly gross income of the sponsor and the sponsor's spouse (if living with the sponsor) at the time the household containing the sponsored alien member applies or is recertified for participation in the Food Stamp Program.

(i) Deduct an 18 percent the earned income amount deduction for from that portion of income determined as earned income of the sponsor and the sponsor's spouse, and

(ii) (Continued)

(B) If the alien has already reported gross income information on his/her sponsor, due to Aid to Families with Dependent Children's (AFDC) sponsored alien rules, that income amount may be used for Food Stamp Program deeming purposes. However, allowable deductions to be applied to the total gross income of the sponsor and the sponsor's spouse, prior to attributing an income amount to the alien, shall be limited to the 18 percent earned income amount and the Food Stamp Program gross monthly income amount deduction stated above.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10553 and 18901; 7 CFR 273.8(a) and (b), 273.9(a), (d)(4), and 273.11(h)(2)(ii).

Amend Sections 63-504.39 and .39(a) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY 63-504
(Continued)

.3 Monthly Reporting (Continued)

.39 Mass Changes

Certain changes are initiated by the state or federal government which may affect the entire caseload or significant portions of the caseload. These changes include adjustments to the income eligibility standards, the shelter/and dependent care deductions; the thrifty food plan and standard deduction; annual adjustments to the standard utility allowance; and other changes in the eligibility criteria based on legislative or regulatory actions.

.391 Federal Adjustments to Eligibility Standards, Allotments, Deductions, and State Adjustments to the Standard Utility Allowance

(a) These adjustments shall go into effect for all households at a specific point in time. Adjustments to the thrifty food plan, the standard deduction, shelter/and dependent care deductions, and the maximum income eligibility standards shall be effective for all issuances upon the effective dates, as specified in Handbook Section 63-1101.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; 7 CFR 273.9(d)(4).

Amend Section 63-900.541(d)(2) to read:

63-900 EMERGENCY FOOD STAMP ASSISTANCE IN
DISASTERS (Continued)

63-900

.5 Household Certifications (Continued)

.54 Eligibility, Certification and Allotment Determination

- .541 To be eligible for emergency coupon issuance, on the date of application the household shall meet the definition of "household" contained in Section 63-402.1, and eligibility criteria (a) through (d) below: (Continued)

(d) (Continued)

- (2) FNS will supply tables of maximum disaster income limits by household size. However, to manually compute maximum income limits for disaster program eligibility, the CWD shall increase the food stamp net income limit for the appropriate household size by the standard deduction, and the maximum shelter~~and~~ dependent care deductions. The medical deduction for elderly and disabled households, the earned income deduction, and the unlimited shelter~~and~~ dependent care deductions for elderly and disabled households shall not be used to compute maximum disaster income limits.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; 7 CFR 273.9(d)(4).

Renumber Sections 63-1101.2 to .4, .3 to .6, .4 to .7, .5 to .8, .6 to .9, .7 to .10, .8 to .11, and .10 to .12; repeal Section 63-1101.9; adopt new Sections 63-1101.2, .21, .22, .3, .5, .51, and .52, and amend Section 63-1101.6 to read:

63-1101 TABLES OF COUPON ISSUANCE

63-1101

.1 USDA Adjusted Income Deductions and Maximum Net Income Standards

.2 Maximum Resource Eligibility Standards, effective May 1, 1986 H
are as follows:

.21 \$3,000 for all households which include at least one A
member aged 60 or older.

.22 \$2,000 for all other households.

.3 Earned Income Deduction: Effective May 1, 1986, the earned N
income deduction is 20 percent.

.24 (Continued)

.5 Dependent Care Deduction. Effective May 1, 1986, the maximum D
deductions are as follows:

.51 \$147 for households containing at least one elderly or B
disabled member, as defined in Section 63-102(e).

.52 \$160 for all other households.

.36 Dependent Care/Excess Shelter Deduction. Effective 10/1/85 H
May 1, 1986, the maximum combined deduction shall be \$13947. A
This maximum deduction shall apply for all households except N
those containing any elderly or disabled member and it shall D
be adjusted annually. For households containing elderly or B
disabled members, a separate deduction for dependent care
shall be allowed, not to exceed \$139. Additionally, these
households are entitled to an excess shelter deduction for
the monthly amount that exceeds 50 percent of the household's
monthly income after all applicable deductions have been
allowed (see Manual Section 63-502.35).

.47 (Continued)

.58 (Continued)

.69 (Continued)

REF ID: A6200082

.710 (Continued)

.811 (Continued)

-9 Reserved

.4012 (Continued)

A
N
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B
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H

86-0429-1

STATE OF CALIFORNIA
STD Form 400 (Rev. 8/85)

RECEIVED FOR FILING

1986 APR 29 AM 9:12

OFFICE OF
ADMINISTRATIVE LAWENDORSED
APPROVED FOR FILING
MAY 29 1986

FACE SHEET

(See Instructions on Reverse)

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

DEPARTMENT OF SOCIAL SERVICES
(AGENCY)*Judi S. McPherson*

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date:

FILED
 In the office of the Secretary of State
 of the State of California

 MAY 27 1986
 At 1:50 o'clock P.M.
 MARCH FONG EU, Secretary of State
 By Virginia L. Brady
 Deputy Secretary of State

For use of Office of Adm Law

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING (See instructions)	TITLE	TELEPHONE
Rosalie Clark	Chief, Office of Regulations Development	445-0313
2. Type of filing, (check one)	<input checked="" type="checkbox"/> 30-day Review <input type="checkbox"/> Emergency <input type="checkbox"/> Certificate of Compliance <input type="checkbox"/> Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below) <input type="checkbox"/> Printing Error Correction <input type="checkbox"/> Nonsubstantive changes with nonregulatory effect <input type="checkbox"/>	
3. a. Specify California Administrative Code title and sections as follows:	SECTIONS ADOPTED: Title _____ (SEE ATTACHED LIST) SECTIONS AMENDED: (SEE ATTACHED LIST) SECTIONS REPEALED: (SEE ATTACHED LIST)	
APPROVED		
b. The following sections listed in 3a contain modifications to the text originally made available to the public: (SEE ATTACHED LIST)		
4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)	<input type="checkbox"/> prior to the emergency adoption <input type="checkbox"/> within 120 days of the effective date of the emergency adoption of the above-referenced regulations.	
5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes, if yes, give date(s) of prior submittal(s) to OAL: November 14, 1985 (File No. 85-1114-3)	
6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, if yes, give date statement was submitted to OAL _____	
7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)	<input type="checkbox"/> Fair Political Practices Commission (Include FPPC approval stamp) <input type="checkbox"/> Building Standards Commission (Attach approval) <input type="checkbox"/> State Fire Marshall (Attach approval) <input type="checkbox"/> Department of Finance (Attach properly signed Std. 399) <input type="checkbox"/> Other _____	
(SPECIFY AGENCY)		
8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER 6/1/85	b. DATE OF FINAL AGENCY ACTION 4/25/86	c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8c) 9/27/85 thru 10/14/85 3/21/85 thru 4/7/86
9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)		
a. <input type="checkbox"/> Effective 30th day after filing with the Secretary of State.		
b. <input type="checkbox"/> Effective upon filing with the Secretary of State.		
c. <input type="checkbox"/> Effective on _____ as required or allowed by the following statute(s): _____		
d. <input type="checkbox"/> Effective on _____ (Designate effective date <i>earlier than</i> 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)		
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.		
e. <input checked="" type="checkbox"/> Effective on July 1, 1986 (Designate effective date <i>later than</i> the normal effective date for the type of order filed.)		

INSTRUCTIONS FOR STD 400

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
 - b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
 - a. Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
 - b. Provide the date on which the regulatory agency adopted the regulatory changes.
 - c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
 - a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - b. An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - c. If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - d. If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - e. If an effective date later than specified above is requested, provide the date.

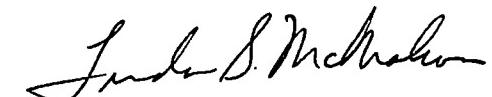
FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

SECTIONS ADOPTED

63-049; 63-301.543(c)(1); 63-503.461. .463;
63-504.421(a), .43, .431, .432, .433, .434, and .614

SECTIONS AMENDED

63-300.1, .52, .521; 63-301.543(c); 63-403.325, .326,
.33; 63-502.1(a), .114, .364, .365; 63-503.1, .13,
.232(d)(2), .254, .255, .434, .475(b), .484, .492(a)(2)(A),
.493; 63-504.221, .25, .251, .33, .352, .357(b), .42,
.623(b) and (c), .633(c), and .71

SECTIONS CONTAINING MODIFICATIONS

63-049; 63-300.1; 63-301.432; 63-403.338; 63-502.114, .361;
63-503.232, .254b., .327, .44, .442(c), .466, .484;
63-504.221, .42, and .614

Adopt Section 63-049 to read:

63-049 IMPLEMENTATION OF REGULATIONS DUE TO THE 63-049
MONTHLY REPORTING AND RETROSPECTIVE BUDGETING
REVIEW AND CLEAN-UP

- 1 CWDs shall implement the provisions of these regulations effective on the first of the month, 30 days after filing with the Secretary of State.
 - 2 Sections affected by the revision are Sections 63-300.1, 63-301.432, 63-301.52, .521; 63-301.543(c), 63-403.325, .326; 63-403.33, .337; 63-502.1(a), .114; 63-502.364, .365; 63-503.11, .13; 63-503.232(d)(2), 63-503.254, .255; 63-503.434, 63-503.46, 63-503.475(d), 63-503.484; 63-503.492(a)(2)(A), 63-503.493, 63-504.221, 63-504.251, 63-504.33, .352, .357(b); 63-504.42, .43, .431, .433, .434; 63-504.614, 63-504.623(d), (c); 63-504.633(c), and 63-504.71.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-300.1 to read:

63-300 APPLICATION PROCESS

63-300

.1 General Purpose

The application process includes filing and completing an application form, being interviewed, and having certain information verified. The CWD shall act promptly on all applications and provide food stamp benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited service shall be available to households in immediate need, that qualify under the provisions of Section 63-301.5. Specific responsibilities of the households and CWD in the application process are detailed below.

Authority: Welfare and Institutions Code Sections 10553, and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18901 and 18902.

Amend Section 63-301.432 to read:

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued) 63-301

.4 Delayed Actions (Continued)

.43 Delays Caused By the CWD (Continued)

.432 If the household is found to be eligible during the second 30-day period, the household shall be entitled to benefits eligible_to_receive_any_benefits_to_which_it_is_entitled retroactive to the month of application. If, however, the household is found to be ineligible, the application shall be denied. (See Table II below on Delayed Actions.)

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18901; and 7 CFR 273.2(h)(3)(ii).

Amend Section 63-301.52 and .521 to read:

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued 63-301

.5 Expedited Service (Continued)

.52 Identifying Households Needing Expedited Service

The CWD's application procedures shall be designed to identify households eligible for expedited service at the time the household requests assistance, files an application. A CWD employee or volunteer shall inform potential applicants of the right to expedited service for qualifying households and how to initiate the process, and shall be responsible for screening applications as they are filed. The screening shall consist of a review of the DFA 285-A1 if the applicant elected to complete the expedited service section. The CWD shall immediately forward the application for processing when it is determined that the applicant is entitled to expedited service. The CWD shall also advise individuals who inquire about the Food Stamp Program by telephone of the expedited service processing standards for qualifying households.

.521 Retrospectively budgeted households shall only be entitled to expedited services at initial application*, as defined in Section 63-102.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554; and 7 CFR 273.2(i)(1) and (2).

Amend Section 63-301.543(c), renumber existing Section 63-301.543(c)(1) to (2), and adopt new .543(c)(1) to read:

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued) 63-301

.5 Expedited Service (Continued)

.54 Special Procedures for Expediting Service (Continued)

.543 (Continued)

(c) Migrant farmworker households eligible for expedited service and which are applying after the 15th of the month and which are assigned certification periods of longer than one month, shall be notified in writing that they shall provide postponed verification from sources within the state before a second month's benefits are issued and shall also provide all verification from out-of-state sources before being issued benefits for the third month. This notice shall also advise the household that if verification results in changes in the household's eligibility or level of benefits, the CWD shall act on those changes without advance notice of adverse action. Migrant farmworker households shall be entitled to postpone out-of-state verification only for the ~~initial~~ month of certification after any other period of participation during the migrant farm season. once each migrant farm season.

(1) The CWD shall grant a postponement of the out-of-state verification for only the initial month, if a migrant farmworker household requesting expedited service has already received this exception during the current migrant farm season.

(t2) (Continued)

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-403.325 and .326 to read:

63-403 CITIZENSHIP AND ALIEN STATUS (Continued)

63-403

.3 Verification (Continued)

.32 Verification of Alien Status (Continued)

- .325 If the alien does not wish to contact INS or give permission for the CWD to contact INS, the household shall be given the option of withdrawing its application or participating without that member. If tThe income and resources of an alien, who would be considered a household member if he/she were determined to be an eligible alien, the income and resources of the alien shall be treated as available to the household in accordance with Section 63-503.544.
- .326 For households whose alien members have not provided verification on a timely basis, the CWD shall determine that the alien is ineligible and an nonhousehold excluded member. The CWD shall determine if the eligibility of the remaining household members shall be determined in accordance with Section 63-503. The income and resources of the nonhousehold excluded member(s) shall be treated as available to the household in accordance with Section 63-503.5442.

If the CWD subsequently receives verification of eligible status, the CWD shall act on the information as a reported change in household membership in accordance with the timeliness standards in Sections 63-504.35 or 63-504.42. When the addition of a new household member results in an increase in a household's benefits, the EWD shall make the change effective not later than the first allotment issued 10 days after the date the change was reported. However, in no event shall these changes take effect any later than the month following the month in which the change is reported according to Section 63-504-32~~4~~.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-403.33 and add number .338 to read:

63-403 CITIZENSHIP AND ALIEN STATUS (Continued)

63-403

.3 Verification (Continued)

.33 Verification Responsibilities of Sponsored Aliens

The sponsored alien and his/her spouse are responsible for providing the CWD with any information or documentation necessary to determine the income and resources of the alien's sponsor and the sponsor's spouse for three years from the alien's date of entry or date of admission as a lawful permanent resident. The CWD shall obtain from the alien or alien's spouse the following information. The alien or the alien's spouse shall submit the following information on forms prescribed by DSS:

63-403 CITIZENSHIP AND ALIEN STATUS (Continued)

63-403

.3 Verification (Continued)

.33 Verification of Sponsored Aliens (Continued)

.337 The name, address and phone number of the alien's sponsor.

.338 Verification is required for the information specified The CWD shall verify the information obtained in Sections 63-403.331 and .332 in accordance with section 63-388.5. The CWD shall verify all other information which they have determined to be questionable and which affects household eligibility and/or benefit level in accordance with Section 63-300.3 for verifying questionable information.

Authority: Welfare and Institutions Code Sections 10553 and 18704.

Reference: Welfare and Institutions Code section 10554.

Amend Section 63-502.1(a) and .114 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS

63-502

.1 Income Definition

- a) Gross income shall mean all income from whatever source excluding only those items in Section 63-502.2. Gross income shall include all earned income as specified in Section 63-502.11, and all unearned income as specified in Section 63-502.12. For self-employed households gross income shall be and self-employment income minus less the cost of doing business as specified in See Section 63-503.5+4+41.

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

63-502

.1 Income Definition (Continued)

- a) (Continued)

.11 Earned income shall include: (Continued)

- .114 Payments to volunteers under Title I (VISTA, University Year for Action, etc.) of the Domestic Volunteer Service Act of 1973, Pub. L. 93-113 Stat. as amended.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-502.364 and .365 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued) 63-502

.3 Income Deductions (Continued)

.36 Standard Utility Allowances (Continued)

.364 The SUA for food stamp households shall be adjusted annually by SDSS to reflect any increases or decreases in the cost-of-living occurring after June, 1982~~s~~, so that the first such adjustment becomes effective January 1, 1983 and subsequent adjustments shall take effect each January 1 thereafter.

(a) The cost-of-living shall be calculated by SDSS based on the weighted average of the Fuel and Other Utilities Index of the Consumer Price Index for All Urban Consumers (CPI-U), as published by the U.S. Department of Labor, Bureau of Labor Statistics for Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, and San Diego. The weighting factor for each area is as used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(b) The percentage change to be determined shall be for a 12-month period ending with June of the preceding year for which the cost-of-living adjustment will take effect. The SUA in effect during the month of January preceding the calendar year in which the adjustment is to take place will be increased by the 12-month percentage change, with the resulting SUA to be rounded to the nearest dollar. The resultant amount shall constitute the new SUA (see Handbook Section 63-1101.5).
(continued)

.365 When the SUA is revised due to the annual adjustments, it shall be applied to all households on the effective date of the revised SUA (see Handbook Section 63-1101.5). The change to the new SUA shall not be considered a switch from the

actual amounts to the SUA for purposes of Section 63-502.353.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18902; and 7 CFR 273.9(d)(6)(i).

Amend Section 63-503.11 and .13 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503

.1 Month of Application

- .11 A household's eligibility shall be determined for the month of application by considering the household's circumstances existing on as of the date of interview, except as otherwise specified in Sections 63-402.9 (Strikers), 63-408 (Job Search Voluntary Quit), 63-501.6 (Resource Transfers), 63-503.212 (Income Determinations), and 63-503.43 (Destitute Households).

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

- .13 A household's prorated benefit level for a) the initial month of certification, or b) the first month for which the household is certified for participation in the Food Stamp Program following any period during which the household was not certified for participation, shall be based on the day of the month it applies for benefits or the day prorated from the date the application is received in the appropriate office (see Section 63-300.31). Using a calendar or fiscal month, households shall receive benefits prorated from the date of application to the end of the month. Refer to Handbook Section 63-1101 for Reciprocal Table for computing first month benefits.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18901; and 7 CFR 273.10(a)(1)(ii), and 7 CFR 273(a)(1)(i).

Amend Section 63-503.232(a)(2) to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

•2 Determining Resources. Income and Deductions (Continued)

•23 Households Subject to Retrospective Budgeting After the Beginning Months (Continued)

•232 Retrospective Budgeting

The CWD shall use the following income to retrospectively budget the household's level of benefits.

(a) Discontinued Income (Continued)

(2) For households receiving a CWD paid grant in the issuance month, the CWD shall disregard income received in the budget month from a source that no longer provides income to the household in the corresponding issuance month, provided the household has reported the termination of the income either in on the monthly report for the budget month in which the termination occurred. If, however, the household failed to report this information on the monthly report but does so or in some other manner and there is sufficient time the CWD shall process the change and affect the allotment in the corresponding issuance month.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554, and 7 CFR 273(a)(1)(i).

Renumber Section 63-503.254 to .255, and adopt new Section 63-503.254 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.2 Determining Resources, Income and Deductions (Continued)

.25 Determining Deductions For All Households (Continued)

.254 Disallowed expenses. The following expenses are not deductible:

a. An expense covered by an excluded reimbursement or vendor payment shall not be deductible. For example, the portion of rent covered by excluded vendor payments shall not be calculated as part of the household's shelter cost.

However, that portion of an allowable medical expense which is not reimbursable shall be included as part of the household's medical expenses. See Section 63-502.33 on nonreimbursable medical costs.

b. Expenses shall only be deductible if the service is provided by someone outside the household and the household makes a money payment for the service. For example, a dependent care deduction shall not be allowed if: 1) another household member or excluded member provides the care, or 2) compensation for the care is provided in the form of an in-kind benefit, such as food.

c. Past-due medical bills determined in accordance with Section 63-503.251.

d. Medical bills paid prior to the month of initial application are not a deductible expense. However, medical bills received during the month of application are an allowable expense, even if the medical service was provided prior to the month of application, provided the household is otherwise eligible.

•2545 Expense Conversion Procedures

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; and 7 CFR 273.10(d)(i).

Amend Section 63-503.434 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.4 Households with Special Circumstances (Continued)

.43 Destitute Households (Continued)

.434 Destitute households shall have their eligibility and level of benefits calculated for the month of application by considering only income which is received between the first of the month and the date of application. Any income from a new source that is anticipated more than 10 days after the date of application shall be disregarded.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; and 7 CFR 273.10(e)(3)(ii).

Renumber Sections 63-503.461 to .462, 63-503.462 to .464, 63-503.463 to .465; amend new Sections 63-503.462, .464, and .465 and adopt new Sections 63-503.461, and .463 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.4 Households with Special Circumstances (Continued)

.46 Residents of Shelters for Battered Women

- .461 A woman or woman with children who are temporary residents of a shelter for battered women and children may apply for food stamps directly or through an authorized representative as specified in Section 63-402.6.
- .461² Eligible Shelter residents who were Food Stamp Program recipients included in a certified household in the dwelling of the abuser and who recently fled to a shelter, shall receive a separate allotment only once a month while residing in the shelter, as specified in Section 63-402.6. In order to receive this allotment, eligible residents shall complete new applications and apply as separate households.
- .463 Prior to certifying shelter residents, the CWD shall determine and document in the case file that the shelter for battered women and children meets the definition in Section 63-102 and document the basis of the determination.
- .462⁴ Eligible residents shall be certified for the program solely on the basis of the income, resources and expenses for which they are responsible on the date of application and their resource level as of the date of their interview. The income, resources and expenses of their former households shall not be considered available to the residents and resources held jointly with member(s) of their former households shall be considered inaccessible, in accordance with Section 63-501.3(m).
- .463⁵ The CWD shall take prompt action to ensure that the former household's eligibility or allotment reflects a change in household composition, which

may require contacting another CWD, if the resident is currently living in a shelter in another county.

- (a) If the CWD has sufficient information to determine that there has been a change in household composition in the resident's former household, prompt action shall be taken either to make a change in the former household's allotment or to terminate the former household, in accordance with Section 63-504.35, for monthly reporting households or Section 63-504.42~~r~~ and ~~43~~, for nonmonthly reporting households.
- (b) If the CWD has insufficient information regarding the change in household composition of the resident's former household the CWD shall take action, in accordance with Section 63-504.14.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18901; and 7 CFR 273.11(g).

Amend Section 63-503.475(b) to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

•4 Households with Special Circumstances (Continued) .47
Residents of Drug/Alcoholic Treatment and Rehabilitation
Programs (Continued)

.475 (Continued)

b. Once the household leaves the treatment center, the center is no longer allowed to act as that household's authorized representative. The center shall, if possible, provide the household with a change report form (DFA 377.5) for nonmonthly reporting households, or monthly eligibility report form (CA 7) for monthly reporting households in order for the household to report to the CWD their individual's new address and other changes in circumstances after leaving the center, and The center shall also advise the household to return the report form to the appropriate office of the CWD within 10 days.

Authority: Welfare and Institutions Code Sections 10554 and 18904.

Reference: Welfare and Institutions Code Section 18901; and 7 CFR 273.11(e)(5).

Amend Section 63-503.484 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.4 Households with Special Circumstances (Continued)

.48 Residents of group living arrangement who receive benefits under Title II of the Social Security Act. (Continued)

.484 If the resident has made application on his/her own behalf, the household is responsible for reporting changes to the CWD as provided in Section 63-505.2~~±2~~. If the group living arrangement is acting in the capacity of an authorized representative, the group living arrangement shall notify the CWD, as provided in Section 63-505.2~~±2~~, of changes in the household's income or other household circumstances and when the individual leaves the group living arrangement. The group living arrangement shall return any household's ATP card or coupons to the CWD if they are received after the household has left the group living arrangement.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-503.492(a)(2)(A) to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

•4 Households with Special Circumstances (Continued)

•49 Households with Sponsored Aliens (Continued)

•492 Eligibility and Benefit Level (Continued)

(a) Income (Continued)

(2) (Continued)

(A) Take the total monthly gross income of the sponsor and the sponsor's spouse (if living with the sponsor) at the time the household containing the sponsored alien member applies or is recertified for participation in the Food Stamp Program.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; and 7 CFR 273.2(h)(3)(iii).

Amend Section 63-503.493 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.4 Households with Special Circumstances (Continued)

.49 Households with Sponsored Aliens (Continued)

.493 Awaiting Verification

- (a) If information necessary to carry out the provisions of this section is not received or verified on a timely basis, the sponsored alien and his/her spouse shall be ineligible to participate until such time as all necessary facts are obtained. In determining the eligibility and/or benefit level of the remaining household members, the income and resources of the ineligible alien and his/her spouse (excluding the attributed income and resources of the alien's sponsor and sponsor's spouse) shall be treated in the same manner as a disqualified member as set forth in Section 63-503.44, and considered available.
- (b) If the information or verification is subsequently received, the CWD shall act on the information as a reported change in household membership in accordance with the timeliness standards in Sections 63-505-3 and ~~.4265, .35, .422, and .423.~~

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-504.221 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
ELIGIBILITY (Continued)

63-504

.2 Notices of Action (Continued)

.22 Notice of Approval (DFA 377.1)

.221 When an application is approved, the CWD shall send the household a written approval notice (DFA 377.1) as soon as the determination is made, but no later than 30 days after the date of the initial application, the household receives its first allotment for the certification period except as specified below in Section 63-504.221(a).

(a) If the household's application was pended, as specified in Section 63-504.24, the notice of approval shall be sent as soon as the determination is made, but no later than the date the household receives its first allotment for the certification period.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 18901, 18902; and 7 CFR 273.10(g).

Amend Section 63-504.25 and .251 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING 63-504
 ELIGIBILITY (Continued)

.2 Notices of Action (Continued)

.25 Notice of Expiration of Certification (NEC) (DFA 377.2)

.251 Expiration of the Certification Period

The CWD shall provide each household whose certification period is due to expire with a notice of expiration (NEC) to be received at least one day, but not earlier than ± 30 days, prior to or later than the first day of the household's last month of certification, except as provided in Sections 63-504.251(a) and (b) and 63-504.252.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 18902; and 7 CFR 272.3(c).

Amend Section 63-504.33 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
 ELIGIBILITY (Continued)

63-504

.3 Monthly Reporting (Continued)

.33 CWD Action on an Incomplete CA 7

- (a) The CWD shall send the NA 960~~V~~ in accordance with Section 63-504.27, to a household that fails to report by the 11th of the report month.
- (b) The CWD shall send the NA 960V in accordance with Section 63-504.27, to a household that or fails to files an incomplete CA 7~~V~~ as described in Section 63-504.32.
- (c) The CWD shall allow the household until the first of the issuance month the extended filing date to file a complete CA 7.
- (d) The CWD shall terminate the household effective the end of the report month, in accordance with Section 63-504.36, if the household fails to file a complete CA 7 by the extended filing date.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-504.352 and .357(b) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
ELIGIBILITY (Continued)

63-504

.3 Monthly Reporting (Continued)

.35 Action on Reported Information (Continued)

.352 If the reported change reported on the CA 7, ~~except as described in Section 63-504.353~~ results in an increase or decrease in benefits to the household, the CWD shall make the change effective the next issuance month and notify the household of the change, in accordance with Section 63-504.26.

.357 (Continued)

(b) Except as specified in Section 63-504.353, if the change affects the benefit level, the CWD shall note the information in the case file, reflect the change in the corresponding issuance month, and notify the household, in accordance with Section 63-504.26.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 63-504.42 and adopt Section 63-504.421(a) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING 63-504
ELIGIBILITY (Continued)

•4 Effecting Changes for Nonmonthly Reporting Households
(Continued)

•42 Action on Reported Changes for Prospective Budgeted
Households (Migrant Farmworker Households) (Continued)

•421 Continued:

1a1 Changes reported during the certification period shall be subject to the same verification procedures as apply at initial certification, except that the CWD shall not verify income, medical expenses or actual utility expenses if the source has not changed or the amount has not changed by more than \$25 since the last time they were verified. The CWD shall verify questionable information in accordance with Section 63-300.53.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18901; and 7 CFR 273.2(F)(8)(ii).

Adopt new Sections 63-504.43, .431, .432, .433 and .434 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING 63-504
ELIGIBILITY (Continued)

•4 Effecting Changes for Nonmonthly Reporting Households
(Continued)

•43 Action on Reported Changes for Nonmonthly Reporting Retrospectively Budgeted Households

- 431 Reported changes shall be processed in accordance with Section 63-504.351.
- 432 If the reported change results in an increase or decrease in benefits to the household, the CWD shall make the change effective the issuance month that corresponds with the budget month in which the change occurred.
- 433 If the reported change is the addition of a new household member, the CWD shall make the change in accordance with Section 63-504.353.
- 434 Changes reported during the certification period shall be subject to the same verification procedures as specified in Section 63-504.421.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901; and 7 CFR 273.12(c).

Adopt Section 63-504.614 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
 ELIGIBILITY (Continued)

63-504

.6 Recertification of All Households

.61 General Requirements

.614 Newly obtained social security numbers shall be verified at recertification in accordance with verification procedures outlined in Section 63-404.2.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18902; and 7 CFR 273.2(t)(8).

Amend Section 63-504.623(b) and (c) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
ELIGIBILITY (Continued)

63-504

•6 Recertification of All Households (Continued)

•62 Process for Recertifying and Action on Timely
Reapplications for Monthly Reporting Households
(Continued)

•623 (Continued)

(b) The CWD shall delay reflecting information from the recertification interview to affecting the household's benefit level until the second month of the new certification period in order if necessary to continue retrospective budgeting.

(c) The CWD shall continue to determine the household's prospective eligibility in accordance with Section 63-503.231. The CWD shall be permitted to delay reflecting information from the recertification interview regarding the household's eligibility until the second month of the new certification period only if additional time is needed to complete processing the recertifications.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10554, 18902; and 7 CFR 273.21(q).

Adopt new Section 63-504.633(c) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING 63-504
ELIGIBILITY (Continued)

•6 Recertification of All Households (Continued)

•63 Process for Recertifying Nonmonthly Reporting Households
and Action on Timely Reapplications (Continued)

•633 (Continued)

(c) For households subject to retrospective budgeting, the CWD shall reflect information from the recertification interview as specified in Section 63-504.623(b) and (c).

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18902; and 7 CFR 273.21(q)(2)(ii).

Amend Section 63-504.71 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING
 ELIGIBILITY (Continued)

63-504

.7 Identification (ID) Cards

- .71 The CWD shall issue an ID card to each certified household as proof of program eligibility. The ID card may be serially numbered at the CWD's option, except as provided in Section 63-504.84. ID cards shall be issued in the name of the household member who is authorized to receive the household's issuance. A household member and any authorized representative(s) shall sign the ID card prior to using it, except as provided in Section 63-504.84.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 10554.

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FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

DEPARTMENT OF SOCIAL SERVICES

(AGENCY)

Judie S. McNeese

AGENCY OFFICER WITH RULEMAKING AUTHORITY

5/16/86

Date:

0486-20
(See Instructions on Reverse)

FILED
In the office of the Secretary of State
of the State of California

MAY 28 1986
At 4:42 o'clock P.M.
MARCH FONG EU, Secretary of State
By *Mayoee Heslberger*
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING (See instructions)	TITLE	TELEPHONE
ROSLIE CLARK	CHIEF, REGULATIONS DEVELOPMENT BUREAU	445-0313
2. Type of filing, (check one)	<input type="checkbox"/> 30-day Review <input checked="" type="checkbox"/> Emergency	<input type="checkbox"/> Certificate of Compliance (Complete Part 4 below)
<input type="checkbox"/> Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below) <input type="checkbox"/> Nonsubstantive changes with nonregulatory effect <input type="checkbox"/> Printing Error Correction		
3. a. Specify California Administrative Code title and sections as follows:		
Title <u>22</u>	SECTIONS ADOPTED: <u>63-059, 63-102s(1)</u>	
	SECTIONS AMENDED: <u>63-502.112, 63-503.415</u>	
	SECTIONS REPEALED: <u> </u>	
b. The following sections listed in 3a contain modifications to the text originally made available to the public:	APPROVED	
4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)		
<input type="checkbox"/> prior to the emergency adoption <input type="checkbox"/> within 120 days of the effective date of the emergency adoption of the above-referenced regulations.		
5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?		
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, if yes, give date(s) of prior submittal(s) to OAL:		
6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?		
<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, if yes, give date statement was submitted to OAL		
7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)		
<input type="checkbox"/> Fair Political Practices Commission (Include FPPC approval stamp)	<input type="checkbox"/> Building Standards Commission (Attach approval)	
<input type="checkbox"/> State Fire Marshall (Attach approval)	<input type="checkbox"/> Department of Finance (Attach properly signed Std. 399)	
<input type="checkbox"/> Other _____ (SPECIFY AGENCY)		
8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER	b. DATE OF FINAL AGENCY ACTION	c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8(c))

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)
- a. Effective 30th day after filing with the Secretary of State.
 - b. Effective upon filing with the Secretary of State.
 - c. Effective on _____ as required or allowed by the following statute(s): _____.
 - d. Effective on June 1, 1986 (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
 - e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list *section* number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
 - b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
 - a. Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).

Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
 - b. Provide the date on which the regulatory agency adopted the regulatory changes.
 - c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
 - a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - b. An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - c. If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - d. If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - e. If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

State of California

Health and Welfare Agency

MEMORANDUM

To : Office of Administrative Law
1414 'K' Street, Suite 600
Sacramento, California 95814

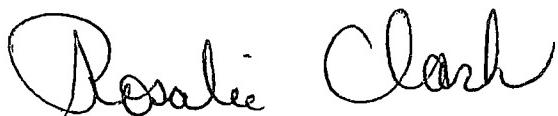
Date: May 19, 1986

Subject: REQUEST FOR EARLY
EFFECTIVE DATE

From: Department of Social Services

The Department of Social Services is requesting a June 1, 1986 effective date for the Farm Offset For Self-Employed regulations in an effort to reduce administrative processing by eligibility workers, and potential disruption to applicants and recipients alike.

Should you have any questions regarding this request, please contact me at 445-0313.



Rosalie Clark, Chief
Regulations Development Bureau

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Adopt Section 63-059 to read:

63-059 IMPLEMENTATION OF REGULATIONS FOR OFFSETTING 63-059
FARM SELF-EMPLOYMENT LOSSES

The CWDs shall implement the revised provisions of these regulations effective June 1, 1986. The sections affected by these revisions are as follows: 63-102s(1) and (1)(A); 63-502.112; and 63-503.415(D)(1) and (a).

- 1 These revised provisions shall apply to new food stamp applications effective June 1, 1986.
- 2 For continuing cases, the CWD shall apply the revised provisions to determine eligibility and benefit levels for the July 1986 allotments.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18902.

Adopt Section 63-102s(1); and renumber Section 63-102s(1) through s(7) to read:

63-102 DEFINITIONS (Continued)

63-102

s. 111 "Self-employed farmer" means a farmer who receives or anticipates receiving annual gross proceeds of \$1000 or more from the farming enterprise.

(A) For the purpose of this section, "farming enterprise" shall be defined as the growing of agricultural products or the raising of livestock for income.

t₁₂ (Continued)

t₁₃ (Continued)

t₁₄ (Continued)

t₁₅ (Continued)

t₁₆ (Continued)

t₁₇ (Continued)

t₁₈ (Continued)

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Sections 10553 and 18901, and 7 CFR 273.11(a)(2).

Amend and restructure Section 63-502.112 to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS

63-502

.1 Income Definition (Continued)

.11 Earned income shall include: (Continued)

.112 The gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in Sections 63-502.2, and 63-503.415(a).

(a) Ownership of rental property shall be considered as self-employment enterprise; however, income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours a week.

(b) Payments from a roomer or boarder shall also be considered self-employment income.

Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code Section 18901 and 7 CFR 273.11(a)(2).

Amend and restructure Section 63-503.415 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND
BENEFIT LEVELS (Continued)

63-503

.4 Households with Special Circumstances (Continued)

.41 Households with Self-Employment Income (Continued)

.415 Determining Monthly Income from Self-Employment

(a) The monthly net self-employment income shall be added to any other earned income received by the household and the net monthly income shall be computed, in accordance with Section 63-503.31.

(b) (Continued)

(c) For the period of time over which self-employment income is averaged, the CWD shall add all gross self-employment income (including capital gains), exclude the cost of producing the self-employment income, and divide the self-employment income by the number of months over which the income will be averaged.

(d) For self-employed farmers, as defined in Section 63-102s, losses shall be prorated in the same manner used to prorate the farm self-employment income.

(e) (Continued)

(f) For self-employed farms, as defined in Section 63-102s, if the cost of producing the self-employment income exceeds the income derived from self-employment as a farmer, such losses shall be offset against any other countable income in the household.

(1) The following is an example of how the farm offset should be applied in determining the monthly net self-employment income to be used for both the gross and net income

HANDBOOK

eligibility tests and benefit computations:

Self-Employment Income Computation

Gross income	\$500
Expenses	<u>-600</u>

Total Monthly Nonexempt Income	- 100
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NOTE: If the monthly self-employment is less than or equal to zero, enter zero (0) on line A2 of the gross income eligibility determination computation form. Enter the actual \$ amount of the loss on the "Other unearned income" line.

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A. Gross Income Eligibility

1. Gross Salary	\$300
2. Self-Employment	<u>-0</u>

Total Gross Earned Income	300
Cash Aid	450
Other Unearned Income	-100

Total Gross Unearned Income	<u>+350</u>
-----------------------------	-------------

Total Gross Monthly Income	650
----------------------------	-----

Net Income Eligibility

Adjusted Gross Earned Income	\$240 (300 x .80)
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Total Nonexempt Gross Income	590 (450+240)
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Authority: Welfare and Institutions Code Sections 10553 and 18904.

Reference: Welfare and Institutions Code section 18901 and 7 CFR 273.10(e)(1)(1)(A) and 273.11(a)(2)(111).

86-0513-5c
(See Instructions on Reverse)STATE OF CALIFORNIA
ST 400 (Rev. 8/85)

RECEIVED FOR FILING

1986 MAY 13 AM 4:50

OFFICE OF
ADMINISTRATIVE LAWENDORSED
APPROVED FOR FILING
JUN 12 1986

For use of Office of Admin Law

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

State Department of Social Services

(AGENCY)

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: 5/13/86

FILED

In the office of the Secretary of State
of the State of California

JUN 13 1986

At 4:35 o'clock P.M.

MARCH FONG EU, Secretary of State

By
Mayrie Bushberger
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING
(See instructions)

Rosalie P. Clark

Chief, Office of Regulations Development

445-0313

TITLE

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance (Complete Part 4 below)

 Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below) Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

SECTIONS ADOPTED:

Title _____ MPP Chapter 42-700, Sections 42-710 thru 42-787, non seq.

SECTIONS AMENDED:

MPP 26-020; 40-195.215, .224; 41-440.15, .21, .22, .24, .25, .26, .42, .43;

SECTIONS REPEALED:

- b. The following sections listed in 3a contain modifications to the text originally made available to the public: MPP 42-625; 42-710, -720, -730, -740, -750, -761, -771, -772, -773, -774, -781, -782, -783,

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

 prior to the emergency adoption within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

 No Yes, if yes, give date(s) of prior submittal(s) to OAL _____

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

 No Yes, if yes, give date statement was submitted to OAL _____

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

 Fair Political Practices Commission
(Include FPPC approval stamp) Building Standards Commission
(Attach approval) State Fire Marshall (Attach approval) Department of Finance (Attach properly signed Std. 399) Other _____

(SPECIFY AGENCY)

a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER	b. DATE OF FINAL AGENCY ACTION	c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8C)
January 31, 1986	May 13, 1986	April 24, 1986 thru May 8, 1986,

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse) inclusive

a. Effective 30th day after filing with the Secretary of State.b. Effective upon filing with the Secretary of State. June 13, 1986c. Effective on _____ as required or allowed by the following statute(s): _____d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)

Attach request demonstrating good cause for early effective date. Request subject to OAL approval.

e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

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- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
- b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven(7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

State of California

Health and Welfare Agency

MEMORANDUM

To : Office of Administrative Law
1414 K Street, Suite 600
Sacramento, CA 95814

Date: May 13, 1986

Subject: Effective Date for
GAIN Regulations

From: Department of Social Services, 744 P Street, Sacramento, CA 95814

Your instructions on the Face Sheet (STD Form 400) indicate that Certificates of Compliance are effective upon filing with the Secretary of State. SDSS would like to assure that the GAIN regulations are filed immediately following the close of the 30-day review period by the Office of Administrative Law, which will be June 13, 1986 since this Certificate of Compliance was submitted on May 13, 1986.

Please inform me if it will not be possible to meet the June 13, 1986 filing with the Secretary of State.

If you have any questions please contact me at 445-0313.



Rosalie Clark, Chief
Regulations Development Bureau

3.a Continued for Sections Amended

41-441.11, .12, .2, .3; 41-442.12; 42-625; 42-655.1; 44-101.525; 44-103.116,
.117, .242; 44-111.3(f); 44-206.1 (d), (g), (m), .23; 44-301; 44-303.33;
44-310; 44-350.14

3.b Continued

42-784, -785, -786,-787; 44-206.1(m); 44-350.14

CERTIFICATE OF COMPLIANCE - Section 11346.1(e), Government Code

The Department of Social Services hereby certifies that it has complied with the provisions of Sections 11346.4 through 11346.8 inclusive of the Government Code, within 120 days of the effective date of the following emergency regulations which were filed with the Secretary of State on January 21, 1986, and which became effective on January 23, 1986.

Manual of Policy and Procedures, Chapters 26-000, 40-100, 41-400, 42-600, 42-700, 44-100, 44-200, and 44-300, Sections:

<u>Amended</u>	<u>Adopted</u>
26-020, 40-195.215, .224 41-440.15, .21, .22, .25, .26, .42, .43 41-441.11, .12, .2, .3 41-442.12; 42-625; 42-655.1; 44-101.525; 44-103.116, .117, .242; 44-111.3(f); 44-206.1(d), (g), (m), .23; 44-301; 44-303.33; 44-310; 44-350.14	Chapter 42-700, Sections 42-710 through 42-787, non seq.

These regulations were presented at public hearing on March 17, 18, 19, and 21, 1986. As a result of the public hearing the following sections have been changed.

Amended

42-625
42-710
42-720
42-730
42-740
42-750
42-761
42-771
42-772
42-773
42-774
42-781
42-782
42-783
42-784
42-785
42-786
42-787
44-206.1(m)
44-350.14

Linda S. McMahon

LINDA S. McMAHON
Director

5/13/86

Date

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Amend MPP Section 42-625 to read:

42-625 WIN DEMO REGISTRATION AS A CONDITION OF AFDC ELIGIBILITY 42-625

- 1 All AFDC applicants and recipients are required to register for WIN Demo unless they are exempt. Essential persons are required to register for WIN Demo as a condition for inclusion in the assistance unit. Principal earners who are excluded from the assistance unit are required to register for WIN Demo to establish federal eligibility for the assistance unit to which they are related.
- 1.1 When the assistance unit will not be federally eligible on the beginning date of aid solely because the principal earner has not been unemployed for 30 days, the principal earner shall be registered for WIN Demo.
- 2 An individual in the AFDC assistance unit shall be exempt from WIN Demo when he/she meets any of the criteria specified in 42-631 through 42-641.
 - 2.1 The principal earner who is exempt from WIN registration due to remoteness shall register with EDD-JS. If the principal earner is exempt from WIN registration due to reasons other than remoteness, he/she is not required to register with WIN Demo or EDD-JS.
 - 2.2 The principal earner who is under 16 or is a 16-through 18-year-old full-time student is not exempt under Section 42-631 or 42-632.
- 3 AFDC applicants and recipients who are exempt from registration shall have the option to register with WIN Demo on a voluntary basis.
- 4 Applicants for AFDC who are granted aid under the Refugee Demonstration Project in lieu of AFDC, pursuant to MPP Section 40-125.6, shall have the same registration requirements as other applicants for AFDC. Such individuals shall remain registered upon transfer to the AFDC program.
- 5 Registered AFDC recipients who are transferred to the Refugee Demonstration Project pursuant to MPP Section 40-185.3 shall remain registered while receiving aid under the Refugee Demonstration Project and shall remain registered upon transfer to the AFDC program.
- 6 The above provisions apply to AFDC applicants and recipients residing in a 6th country. Individuals required to register

for the Greater Avenues for Independence (GAIN) program are the same designated individuals who are required to register for WIN Demo. (Refer to Section 42-760 for GAIN registration.)

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(d).

Reference: Welfare and Institutions Code Sections 10553, 11320.1, and 11310.

Amend MPP Chapter 42-700 and MPP Section 42-710 to read:

Chapter 42-700 GREATER AVENUES FOR INDEPENDENCE

42-710 INTRODUCTION TO GAIN

42-710

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•1 Background

AB 2580, Chapter 1025, Statutes of 1985, established the Greater Avenues for Independence (GAIN) Act of 1985. GAIN is a comprehensive statewide employment program for AFDC applicants and recipients which greatly expands the services available under the existing Work Incentive Demonstration (WIN Demo) Program.

In accordance with the intent of the Legislature, it is the duty of the state and the counties to recognize that:

- (a) Applicants for, and recipients of, AFDC desire to work, and will do so if provided with the opportunity.
- (b) The state and counties shall provide applicants for, and recipients of, AFDC with the opportunity to obtain employment by offering a full range of employment training and supportive services, consistent with the needs of participants, that allow for informed choices in order to meet their employment goals.
- (c) Able-bodied applicants for, and recipients of, AFDC, are expected to work. The time frames for fulfilling this expectation shall be set forth in an explicit contract between an applicant or recipient and the county.
- (d) Applicants for, and recipients of, AFDC who are required to register for employment and training programs pursuant to Section 11310 of the Welfare and Institutions Code are "individuals in special need" of training as described in Section 2 of the federal Job Training Partnership Act (29 U.S.C. Sec. 1501, et seq.). "Individuals who require special assistance" provided in Section 123 of that act, and "most in need" of employment and training opportunities as described in Section 141 of that act. The Legislature finds and declares that these individuals are in the labor force actively seeking employment.
- (e) Because success of any program will depend on the state, it must exercise leadership to engender enthusiasm among counties, county welfare department directors, and

county welfare department line staff, who are the principal contacts for many recipients enrolled in the program.

- (f) A successful program should also be based upon all the following principles:
- (1) Recipients should be able to make choices and to live up to the responsibilities involved in those choices.
 - (2) Participants should have an early opportunity to obtain a job.
 - (3) Expenditures should be targeted where they can do the most good.
 - (4) The state and the counties have a responsibility to provide a sufficient level of services to meet the needs of participants, as well as to undertake sufficient public information efforts to make recipients, potential participants, employers, or other public or private entities aware of the components, opportunities, and benefits of this program.
 - (5) New programs should be good investments of public funds. Added costs to the system should be incurred only when they are likely to result in long-term personal and community payoff.
- (g) Clients should not be placed in any unassigned pool while waiting for a scarce resource.
- (h) Most types of employment and training program components for applicants for, and recipients of, aid under this chapter have been successfully tried in this state.
- (i) AFDC is available to persons who meet eligibility requirements. The GAIN program should not hamper continuation of this state's existing system of fraud detection, one of the most successful in the nation.

Accordingly, it is the duty of every involved county welfare department (CWD) employee to take all reasonable actions to promote the goals and objectives of the GAIN program and to provide appropriate and vigorous assistance to GAIN participants so that all those on public assistance may obtain unsubsidized employment.

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.2 Major Program Requirements

The major program requirements for the CWD administered GAIN program are as follows:

- 21 Each CWD designs a county plan which includes the types of services offered, the agencies involved in providing these services, and a projected program budget. The county plan will include provisions for child care and other supportive services.
- 22 Plans must be approved by the county Board of Supervisors after a public hearing.
- 23 The CWD submits its initial plan for State Department of Social Services' (SDSS) approval by September 25, 1987.
- 24 GAIN will be fully operational in all counties by September 25, 1988.
- 25 GAIN regulations become effective in a county on the implementation date of its approved plan. Until that date in WIN Demo counties, WIN Demo regulations remain in effect (Section 42-600). In addition, in WIN Demo counties, WIN Demo regulations apply to individuals who have not been phased into GAIN.
- 26 When the county becomes a GAIN county, the current recipient caseload can be phased in over a two-year period.
- 27 Participants are required to participate in a structured sequence of employment-related activities according to a contract between the CWD and the participant.
- 28 Participants who fail to participate without good cause for the first instance, and who do not successfully conciliate, will be placed on money management for a period of up to three months. If the participant continues to refuse to participate, he/she is subject to financial sanctions.

.3 Definitions for Terms used in This Chapter

- term "Basic Contract" means a written contract between the participant and the CWD which includes rights and responsibilities, description of the program and available services including cited early consequences for failure to participate and initial participation requirements.

- t8 "Cause Determination" means a decision by CWD staff as to whether a participant had an acceptable reason for refusal or failure to cooperate with GAIN requirements.
- (ea) "Child Care Resources and Referral Agency" means an agency which contracts with the State Department of Education to provide information to parents about available child care and to coordinate community resources for the benefit of parents and local child care providers.
- t9 "Component" means any work, training, or job search activity associated with GAIN including signing the basic contract.
- t10 "Conciliation" means a process through which a recipient who has failed or refused to cooperate without good cause is given an additional opportunity to cooperate with GAIN requirements. The CWD must make every reasonable effort to resolve disputes between CWD staff and the participant who is failing or refusing to cooperate with the program without good cause before money management or financial sanctions can be imposed.
- (f1) "Cost Effective" means provision of the most appropriate service at the most responsible cost, not necessarily the least costly.
- (g1) "CWD" means the county welfare department.
- (h2) "Deferred Registrant" means a registrant who is not required to participate in accordance with GAIN deferral criteria.
- (i2) "Exempt" means that an AFDC applicant or recipient is not required to register for GAIN as a condition of eligibility.
- t11 "Financial Sanctions" means the disconnection of aid for a recipient and sometimes the entire assistance unit when the recipient fails or refuses to cooperate without good cause.
- (k1) "Fixed-Unit Price" means a set fee or price for a single component or group of services that achieve a specific goal.
- t12 "Format Conciliation" means a process to meet the conditions of a conciliation plan which occurs during

the 30-day period immediately following an assessment or informal conciliation.

- (f)(7) "Format Grievance Procedures" means procedures established by the Unemployment Insurance Code or procedures established by the County Board of Supervisors which allow the participant to appeal any program requirement or assignment which he or she believes to be violation of the contract or inconsistent with the programs.
- (g) "GAIN" means Greater Avenues for Independence.
- (h) "GAIN Allocation Plan" means the SDSS plan which includes policies and parameters for allocating funds to the CWDs to administer the GAIN program.
- (i) "Grant Overstays" means failure of private sector employment or on-the-job training to return the participant's cash grant or a portion thereof to diverted to the employer as a wage subsidy.
- (j) "Informal Conciliation" means a participant involved with involved parties to redetermine if good cause exists for the failure or refusal to meet requirements and to attempt to resolve the conflict.
- (k) "Independent Assessment" means an evaluation by an impartial third party to develop a binding employment plan when the participant and the assessor are unable to reach an agreement on developing an employment plan.
- (l) "Intermediary Service Provider" means a public or private agency with a CWD contract that subcontracts with employers to provide training or employment to participants.
- (m) "Job Training" means vocational training in employer specific skills in a classroom or on-site setting including but not limited to training provided by local private industry councils, private community based organizations or specific programs offered by community colleges.
- (n) "Money Management" means vendor or substitute payments for up to three months for a participant who has failed or refused to participate or respond to informal and formal conciliation.

- (v) "On-the-Job-Training (OJET)" means employment in which a participant receives job skills training from an employer. At the end of the training it is expected that the participant will be retained by the employer.
- (w) "Participant" means a mandatory or voluntary registrant who is actively required to participate in GAIN.
- (x) "Participant Contract" means a contract between the participant and the EWB which contains the agreed upon program requirements and supportive services. This refers to the basic contract and its amendments.
- (y) "Performance-based Contract" means training or education under a contract in which payment is made to the contractor only after the achievement of a specified goal.
- (z) "Preemployment Preparation (PREP)" means a nonstartled work experience assignment with a public or private nonprofit agency that provides the participant with either the basic work behavior skills or the advanced on-the-job enhancement of existing skills. The assignment can be short term when it is no longer than three months or long term when does not exceed one year.
- (aa) "Private Industry Council (PIC)" means an entity established for a service delivery area which provides policy guidance and oversees activities provided under the Job Training Partnership Act (JTPA) plan. The majority of PIC members represent the private sector.
- (bb) "Provider Contract" means the negotiated agreement between the EWB and the agency or individual providing job services, training, education or supportive services.
- (cc) "Refugee Cash Assistance (RCA) GAIN Participant" means a refugee applicant or recipient who meets the requirements of MPP Sections 69-200.12 and who is participating in GAIN as directed by the county plan.
- (dd) "Refugee Resettlement Program (RRP) Services" means employment-directed services which are designed to remove the barriers to immediate employment. Services may include employment services, vocational training, vocational English as a second language, on-the-job training, English as a second language, and support services.

- (eeo) "Registrant" means an AFDC applicant or recipient who is registered for GAIN.
- (fff) "Registration" means the process whereby an AFDC applicant or recipient is registered by the CWD for GAIN.
- (ggg) "SDSS" means the State Department of Social Services.
- (hh) "Service Delivery Area (SDA)" means a geographical area comprised of one or more units of general local government designated by the Governor according to JTPA to promote effective delivery of job training services under JTPA.
- (ttt) "Subsidized Employment" means an assignment in which the participant's employer is partially reimbursed for wages and/or supervision and/or training costs.
- (ttt) "Substitute Payee" means someone selected by the CWD or the recipient if the CWD is unable to name someone to whom payments are made on the recipient's behalf during money management.
- (ttt) "Supervised Job Search" means an organized method of seeking work which includes access to phone banks, job orders, and direct referrals to employers. Supervised job search is overseen, reviewed and supervised by a person who has been trained or has experience as an employment counselor.
- (ttt) "Supported Work" means a gradual approach to employment which provides intensive training for long-term recipients with little or no employment history or marketable skills. Supported work can be a form of grant diversion where the grantor or a portion thereof is diverted to an intermediary service provider.
- (tmt) "Supportive services" means child care, transportation costs, attorney expenses and as available and needed, personal counseling.
- (ttt) "Targeted Assistance (TA) Funded Services" means employment directed services to refugees which reduce dependency, promote self-sufficiency, enhance employment potential, as well as increase refugees' ability to find and retain jobs. Services may include, but are not limited to employment services, job development, on-the-job training, economic development, professional skills upgrading, licensing and certification, intake

and assessment, vocational training, work experience, and supportive services.

(pp) "Transitional Employment" means training or employment for participants which can be a form of grant diversion where the grant or a portion thereof is diverted to an intermediary service provider.

(ppu) "Unsubsidized Employment" means all employment other than subsidized employment.

(ppq) "Unsupervised Job Search" means a participant independently seeking work and making periodic progress reports no less frequently than every two weeks to the EWB or agency contracting with the EWB.

(ppv) "Volunteer" means an AFDC applicant or recipient who, though exempt from registration, voluntarily registers for and participates in GAIN.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553 and 11320, et seq.

Amend MPP Section 42-720 to read:

42-720 THE GAIN COUNTY PLAN

42-720

.1 Plan Approach

- 11 The CWD, with the cooperation of community college districts, county offices of education, and local Private Industry Councils, shall design a package of services to be provided to GAIN participants that reflects local job market needs and resources.
- 111 A joint plan may be submitted by two or more counties.
- 12 The package of services shall provide an adequate range of services (refer to .58 below).
 - 121 The range of services, which include job services, education, job training, and supportive services, is described in Sections 42-730 and 42-750.
- 13 The primary GAIN participants are AFDC applicants and recipients. The county may also provide services to refugees receiving or applying for Refugee Cash Assistance (RCA) and/or to General Assistance applicants and recipients, except that no funds appropriated for GAIN shall be used to serve these individuals.
 - 131 If a county elects to serve these individuals, the county shall maintain separate accounting records of expenditures for AFDC applicants and recipients and for RCA and General Assistance applicants and recipients.
 - 132 Separate accounting records shall also be maintained for participants who are time-eligible refugees receiving federally funded AFDC benefits.
 - 133 If a county elects to serve General Assistance applicants and recipients, the individuals shall have the same rights, duties, and responsibilities as GAIN AFDC participants. Any participation by General Assistance individuals shall not constitute any actual or implied responsibility for, or assumption of, costs of general assistance by the state.

.2 Time Frames

- 21 The CWD shall submit its initial GAIN county plan to SDSS for approval by September 25, 1987.
 - 22 The CWD shall submit to SDSS its preliminary annual update for the budget year by November 1 of each year. The preliminary annual update shall include any program changes proposed by the county and the budget proposal for all costs for CWD staffing and contracted client services.
 - 23 The CWD shall submit its annual update of related CWD support and overhead administrative costs at the same time as the county submits its Administrative Cost Control Impact Questionnaire for the AFDC, Medi-Cal, and Food Stamp programs.
- 3 County Plan Content
- 31 The county plan shall include a participant and labor market needs assessment which shall be updated and resubmitted to SDSS on an annual basis.
 - 32 The participant and labor market needs assessment shall specify all of the following:
 - 321 The full employment goal of the plan, which shall be the provision of unsubsidized employment for all GAIN participants.
 - 322 An assessment of the county's current and projected employment and child care needs.
 - (a) The CWD shall develop the assessment of child care needs in cooperation with the local child care resource and referral agency.
 - 323 An inventory of employment, training, and supportive services available to county residents.
 - 324 The amount and kind of services required to meet the full employment goal for all registrants.
 - (a) The CWD shall study the characteristics of its potential participant caseload. From this caseload analysis, the CWD shall specify its target groups and the choices that shall be made available to each target group.

(D) The CWD shall make available all of its programs to each target group, but may give priorities for certain programs to individuals for whom these programs are reasonably expected to be the most effective. (Refer to Section 42-750.5b.)

(I) RRP/TA programs shall only be used for eligible refugees.

•325 The amount and kind of services that will be used in the plan year, including the methodology for the provision of services.

(a) The methodology must specify how the CWD will cooperate with and maximize the use of education, JTPA, child care, child care resource and referral agencies, child care alternative payment programs, job service, and other appropriate local service providers.

(b) To the extent existing programs and services are available to county residents, each plan shall specify the manner in which these programs and services will be utilized.

(I) A county may incorporate into its plan any existing employment or training program which is consistent with GAIN services.

(A) If services are not available in the county, the plan may include provisions for the purchase of services from other counties.

(C) If the county plan proposes to establish services from new providers, including the CWD, which currently are or could be provided by existing publicly funded local service providers, the plan shall include a rationale for taking this approach.

(A) The CWD shall provide documentation that it will have

the ability to provide an adequate level of services to participants in a cost-effective manner, as specified in .58 below.

- (3) The CWD shall reference the existing county plan(s) for RRP and TA funded services and describe how refugee services will be coordinated with GAIN.
- .326 An assessment of services that are currently unavailable and needed, including child care services, to meet the full employment goal and a plan for developing the availability of these services within a reasonable period of time.
- (a) This shall include a description of the types of service provider contracts and procurement methods that the CWD proposes to use.
- .33 The county plan shall include a program budget proposal in a format provided by SDSS.
- .331 The budget proposal shall detail the costs associated with providing the range of services included in the plan. The budget proposal shall identify:
- (a) The amount of funds, including RRP/TA funds, that the CWD expects to spend for each component with supporting detail regarding the caseloads anticipated in each component.
- (b) Salary and benefit expenses for CWD employees by classification; administrative support and overhead costs; and, contractual services.
- (c) Funding from sources other than GAIN.
- (d) Other GAIN costs, e.g., supportive services.
- .34 The county plan shall specify the formal grievance procedures established by the county board of supervisors.

- 341 Formal grievance procedures established by the counties may include:
 - (a) A prompt hearing before an independent, impartial hearing officer;
 - (b) The right to present evidence and question witnesses;
 - (c) The right to a written statement from the county in advance of the hearing setting forth the facts and basis of the county's position;
 - (d) The right to a written decision making findings of facts and conclusions of law and informing the participant of his/her right to appeal the decision through the state hearing procedure;
 - (e) The right to be represented by an attorney or other representative;
 - (f) The right to have access to all relevant documents and information in advance of the hearing;
 - (g) The right to a tape recorded or other verbatim record of the hearing.
- 35 The county plan shall include a statement that the CWD has the capability to collect the data required in Section 42-720.7.

•4 County Board of Supervisors Plan Approval

- 41 The initial county plan shall be approved by the county board of supervisors after a public hearing is held in accordance with existing county public hearing procedures. Such procedures shall provide adequate notice and an opportunity for affected groups and individuals to present their views and suggestions.
- 411 In approving the plan, the board shall consider the views presented by affected parties, and include these views as part of the record of the public hearing. The county shall ensure that these records are available for three years.

- (a) The CWD shall provide evidence of public notification allowing for adequate notice to affected groups and individuals in the county plan.
- (b) The CWD shall include a brief description of the public testimony that was received and responses given in the county plan.
- .412 Annual updates to the county plan shall be approved by the county board of supervisors without the requirement of a public hearing.
- (a) A public hearing shall be held whenever the county plan is revised significantly as determined by the county.
- (b) In the event a public hearing becomes necessary per (a) above, documentation shall be provided in the county plan as referenced in Section 42-720.411(a) and (b).
- (c) The county shall be required to hold a public hearing if SDSS determines that the plan has been revised significantly and the county did not hold a public hearing.

.5 SDSS County Plan Approval

- .51 Prior to implementation, and at the beginning of each fiscal year following the initial plan approval, each plan shall be approved by SDSS.
- HANDBOOK** .52 SDSS will respond to the CWD regarding the initial county plan within 90 days of its submittal.
- .53 Prior to final approval of the initial county plan, the CWD shall be notified of the amount of its allocation to carry out the plan and the assumptions used to develop the allocation.
- .531 If the allocation is less than the amount of funds that the CWD proposed in the program budget proposal, the CWD shall be notified that the proposed program budget exceeds the funds available and now the proposed costs exceed the costs used to develop the allocation.

- 532 The CWD may provide any additional documentation to justify the funding for any staff, overhead, or contracts not included in the allocation.
- 533 If, after reviewing the additional information, SDSS finds any of the proposed program costs are justified, and funds are available, SDSS will revise the allocation accordingly. If, however, SDSS finds that the proposed program costs are not reasonable or cost effective, the CWD shall submit any revisions to its plan that may be necessary to keep program expenditures within the amount of its allocation.

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- 54 SDSS will provide an initial response to the preliminary annual update within 60 days of its submittal.
- 55 The CWD will be notified of its tentative allocation for CWD staffing and contracted client services 30 days following the initial response provided in •54 above.

- 55± If the tentative allocation is less than the amount of funds that the CWD proposed in its preliminary annual update, the CWD shall be notified that the proposed program budget exceeds the funds available and how the proposed costs exceed the costs used to develop the tentative allocation.

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- 551 If the tentative allocation is less than the amount of funds that the CWD proposed in its preliminary annual update, the CWD shall be notified that the proposed program budget exceeds the funds available and how the proposed costs exceed the costs used to develop the tentative allocation.

- 552 The CWD may provide any additional documentation to justify a higher funding level for staffing and/or contracted client services within 30 days of receipt of the tentative allocation.

- 553 If after reviewing the additional information, SDSS finds any of the proposed program costs are justified, and funds are available, SDSS will revise the allocation accordingly. If, however, SDSS finds that the proposed program costs are not reasonable or cost effective, the CWD shall submit any revisions to its plan that may be necessary to

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keep program expenditures within the amount of its allocation.

.56 In each year following the initial year of implementation, SUSS will notify the county of its final allocation after the Budget Act has been signed into law.

.57 SDSS approval of a county plan is dependent upon the following, among other things:

- 571 The overall cost effectiveness of the plan.
- 572 The appropriateness of the services proposed to be delivered under the plan considering the following:

- (a) Caseload estimates;
 - (b) The adequacy of the participant, labor market, and child care needs assessments;
 - (c) The number of services proposed based on the participant, labor market, and child care needs assessments;
 - (d) The establishment of relationships to facilitate contracting and to ensure coordination and provision of services; and
 - (e) The adequacy of the organizational structure(s) being proposed to implement the county plan.
- (f) The benefits of the proposed services to participants in relation to obtaining employment.

.58 A plan will be approved only if it provides an adequate range of services.

.581 For large counties, as defined by SUSS for AFDC cost control purposes, "an adequate range of services" means that the LWDs shall provide all of the job services, education, job training, and supportive services described in sections 42-730 and 42-750.

- (a) If two or more counties submit a joint plan, and the joint plan serves a caseload

equal to or greater than a large county, the plan shall provide for all of the above services.

- .582 Except for CWDs subject to Section 42-720.581, if all of the services are not provided for in the county plan, the CWD shall submit a justification as to why the services are not included.

- (a) A plan will not be approved which requires job search and preemployment preparation of participants to the exclusion of a range of services, and which does not specify the range of services, both existing and proposed to be offered participants.

- .59 SDSS will establish and maintain a plan whereby costs for the GAIN program will be effectively controlled within the amounts annually appropriated for such administration. Reimbursement for the federal and state share of GAIN expenditures is subject to the provisions of SDSS's GAIN Allocation Plan.

.6 CWD Reduction Plan

- .61 The CWD shall monitor its program expenditures throughout the fiscal year.
- .62 If the CWD's expenditure pattern after consultation with SDSS, is determined to be inconsistent with the county plan, the CWD shall submit the following to the Department:
- .621 The current expenditure projection by component;
 - .622 An explanation of the causes of any projected cost overrun; and
 - .623 A statement proposing to reduce costs in accordance with the specified methods in .63 below.
- .63 The CWD shall use the following methods to reduce costs and shall use only those methods that are necessary to bring anticipated expenditures within the amounts allocated to the CWD. These methods shall be used for only a specified period and only in the order in which they appear below:

- 631 Temporary deferral of new applicants for aid under the Aid to Families with Dependent Children - Unemployed Parent Program.
- 632 Temporary deferral of all Aid to Families with Dependent Children-Unemployed Parent recipients who have been continuously on aid for less than one year.
- 633 Temporary assignment of volunteer registrants to a waiting list, during which time these registrants will receive no services.
- 634 Temporary deferral of all new applicants for aid under the Aid to Families with Dependent Children - Family Group Program.
- 635 Temporary deferral of all Aid to Families with Dependent Children - Unemployed Parent recipients who have been on aid for one year or more.
- 636 Temporary deferral of all Aid to Families with Dependent Children - Family Group recipients who have been on aid continuously for less than one year.
- 637 Temporary deferral of all Aid to Families with Dependent Children - Family Group recipients who have been continuously on aid for less than two years.
- 638 Temporary deferral of all participants, based on the time on aid, with participants who have been on aid the longest being the last to receive deferrals.

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- 64 SDSS will review and respond to a CWD's proposed reduction plan within 30 days of receipt of the plan.
 - 641 SDSS may provide additional funds, if available, to the CWD to forestall the need for CWD program reductions.

- 642 SDSS may approve the CWD's proposed reduction plan.

- (a) The CWD's approved reduction plan shall remain in effect for no longer than the

duration of the fiscal year in which the plan is approved.

.643 If SUSS does not take action in accordance with .641 or .642, SDSS will continue funding approved program activities and will work with the CWD to develop a satisfactory plan of action for providing services in the original county plan or for submitting a revised reduction plan.

.7 Data Collection.

.71 Except as otherwise required by SUSS, the CWD shall collect data in accordance with SUSS statistical reporting requirements. (Refer to Sections 26-010 and 26-020.) The data shall include, but not be limited to the following:

- (a) The numbers of voluntary and mandatory participants in each program component.
- (b) The amount of time that each participant remains in each component and the types of services, including supportive services each participant receives.
- (c) The number of participants in each component that move to each of the other components.
- (d) The number of participants sanctioned as well as the amount and duration of the sanction, the reason for the sanction, and the amount of time the participant was in the program prior to the sanction.
- (e) Data that will lead to a determination of the appropriateness of sanctions.
- (f) The number of participants who go off aid, and to the extent possible, the reason they have gone off aid.
- (g) The number of applicants who reapplied for and received aid after having gone off aid during the time they were participating in the program.
- (h) The starting salary of employed participants.
- (i) Participants' job retention rates.

- (j) Data that will lead to a determination of the appropriateness of the categorization of participants.
 - (k) Data that will lead to a determination of the appropriateness of assessments and employment plans.
 - (l) The effectiveness of training components based upon the number of individuals placed in employment.
 - (m) Data that will lead to a determination of the appropriateness of preemployment preparation assignments, including a periodic review of the appropriateness of these assignments.
 - (n) The timeliness of preemployment preparation assignment reviews.
- .72 If the CwD uses KRP/TA funds for refugees who are GAIN participants, data shall be separately collected and reported to meet KRP/TA reporting requirements.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(d).

Reference: Welfare and Institutions Code Sections 10553 and 11320.2.

Renumber MPP Section 42-740(c) and subsections (1) through (5) to Section 42-730.13 and subsections .131 through .135; renumber MPP Section 42-740(d)(1) through (7) to Section 42-730.329(a) through (g); renumber Sections 42-740(g) and (h) to 42-730.327 and .328; then amend MPP Section 42-730 to read:

42-730 GAIN JOB, TRAINING, AND EDUCATION SERVICES 42-730

- .1 The CWD may provide job, training, and education services directly to program participants, or by referral to services provided by the PIC to program participants or The CWD also may enter into contracts or interagency agreements as specified in Sections 42-740, 42-741, and 42-742 with private or public agencies for the provision of these services. The CWD shall be responsible for receiving and resolving complaints regarding displacement as described in .13 and .329 below.

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In order to receive training or services funded under the Job Training Partnership Act (JTPA), a GAIN participant must be certified as eligible pursuant to procedures established by the PIC that serves the area of residence of the participant.

- .11 Each CWD shall, in providing job, training, and education services to participants, provide services to each participant which will best meet his/her needs, as determined by the assessment specified in Section 42-773.
- .12 Services to be provided to each participant shall be specified in the basic or amended contract entered into between the CWD and the participant as specified in Sections 42-772 and/or 42-774.
- #121 The CWD shall not place a participant involuntarily in any other training or education component while the participant is waiting for assignment to a component agreed to in another contract.
- #122 The CWD shall provide for job search services for the participant until the training or education services designated in the participant's contract are available.
- #13 An employment or job training program position, other than a PREP position (see section 42-730.329), may not be created as a result of, or may not result in, any of the following:

~~t37-131~~ Displacement of current employees, including overtime currently worked by these employees.

~~t37-132~~ The filling of positions which would otherwise be promotional opportunities for current employees.

~~t37-133~~ The filling of a position prior to compliance with applicable personnel procedures or provisions of collective bargaining agreements.

~~t47-134~~ The filling of a position created by termination, layoff, or reduction in workforce, caused by the employer's intent to fill the position with a subsidized position.

~~t57-135~~ A strike, lockout, or other bona fide labor dispute, or violation of any existing collective bargaining agreement between employees and employers.

.2 Job Services shall include:

.21 Job Club, which shall consist of job search workshops as described in .211 below and supervised job search as described in .22 below:

.211 Job Search Workshops

(a) Job search workshops are group training sessions where participants learn various job finding skills including training in basic job seeking skills, job development skills, job interviewing skills, understanding employer requirements and expectations, and how to enhance self-esteem, self-image, and confidence.

.22 Supervised Job Search

.221 Supervised job search is an organized method of seeking work which includes access to phone banks in a clean and well-lit place, job orders, and direct referrals to employers, which is overseen, reviewed and critiqued by a person who has been trained or has experience as an employment counselor.

.222 The amount and type of activity required during the supervised job search period shall be

determined based on the participant's employment history and need for supportive services.

.23 Unsupervised Job Search

- 231 The participant shall independently seek work and make periodic progress reports no less frequently than every two weeks to the CWD or the agency contracting with the LWD. The CWD or agency shall be permitted to verify the reported job search efforts (see Section 40-157).

.24 Job Placement

- 241 Job placement activities shall include, but not be limited to, referrals to jobs listed by employers with the Employment Development Department's State Job Service.

.25 Job Development

- 251 Participants shall be provided active assistance in seeking employment, on a one-to-one basis, by a person who has been trained or has experience as an employment counselor.

.26 Employment Counseling

- 261 Such counseling shall be aimed at helping the participant reach an informed decision on an appropriate employment goal, and shall be performed by a person who has been trained or has experience as an employment counselor.

.3 Training services shall include:

.31 ~~see~~ Vocational Training

- 311 ~~see~~ Vocational training shall include, but is not be limited to, training in employer-specific job skills in a classroom or onsite setting, including training provided by local private industry council programs and community colleges.

.32 Preemployment Preparation (PREP)

- 321 PREP shall be an nonsalaried work experience assignment with a public or private nonprofit agency that provides the participant with either of the following:

- (a) Basic PREP, which shall provide work behavior skills and a reference for future unsubsidized employment; or,
 - (b) Advanced PREP which shall provide on-the-job enhancement of existing or recently acquired participant skills.
- .322 Basic and advanced PREP assignments may be either short-term or long-term assignments.
- (a) Short-term PREP assignments shall be for not longer than three months and may be provided as a preparation for other education and training services as a part of the contract amendments as specified in Section 42-774.
 - (b) Long-term PREP assignments shall not exceed one year.
 - (l) A long-term advanced PREP assignment shall be in a position related to which enhances the a participant's experience, training, or education acquired as a result of the services provided pursuant to the participant contract between the participant and the CWD as specified in Section 42-774.
- .323 The number of hours a person participates in a PREP assignment shall be determined by adding his/her current month's AFDC grant, less any child support paid to the county on behalf of the participant in the second prior month, and his/her food stamp allotment, and dividing the sum by the average hourly wage for all job orders placed with the Employment Development Department (EDD), as determined annually by the EDD.
- (a) A PREP assignment shall not exceed 32 hours per week.
 - (b) In the event that the participant's food stamp allotment is at least twice the AFDC grant amount, his/her PREP hours shall not exceed those arrived at by dividing his/her grant amount by the greater of the federal or state minimum wage.

•324 If the recipient was overpaid (Section 44-350.13) and as a result of the overpayment, worked more hours in a PREP assignment than would have been required if the overpayment did not occur, the CWD shall provide that:

- (a) The number of hours the recipient is required to work in future months based on the method in •323 above will be reduced by the number of hours which correspond to the amount of the overpayment recouped through a grant adjustment, voluntary cash recovery, or voluntary grant offset. This number of hours is determined by dividing the amount of the recoupment by the average hourly wage used in •323 above.
- (b) If a participant ceases to participate in the PREP assignment before the adjustment in hours can be made, the remaining overpayment amount represented by PREP hours worked shall be forgiven waived.

•325 The participant assigned to PREP shall be expected to continue to seek employment.

•326 At any time during a participant's PREP assignment, he/she may request job services as specified in Section •2 above.

- (a) The combination of job search services and the PREP assignment shall not exceed 40 hours per week.

~~•327~~ A PREP participant assigned to public agencies shall be allowed to:

- (1a) Participate in classified service examinations equivalent to the position he/she occupies.
- (2b) Participate in all open and promotional examinations for which experience in the position or other relevant experience is qualifying under merit system rules.

~~•328~~ Time worked in public agency PREP positions shall apply toward the participant's seniority in the merit public agency positions.

~~4032~~ A PREP position may not be created as the result of, or may not result in, any of the following:

- (1a) Displacement of current employees, including overtime currently worked by these employees.
- (2b) The filling of established unfilled positions, unless the positions are unfunded in a public agency budget.
- (3c) The filling of positions which would otherwise be promotional opportunities for current employees.
- (4d) The filling of a position, prior to compliance with applicable personnel procedures or provisions of collective bargaining agreements.
- (5e) The filling of a position created by termination, layoff, or reduction in workforce.
- (6f) The filling of a work assignment customarily performed by a worker in a job classification within a recognized collective bargaining unit in that specific worksite, or the filling of a work assignment in any bargaining unit in which funded positions are vacant or in which regular employees are on layoffs.
- (7g) A strike, lockout, or other bona fide labor dispute, or violation of any existing collective bargaining agreement between employees and employers.

~~433~~ **Grant Overstoen**

- ~~4331~~ Grant overstoen shall be public or private sector employment or BFT at comparable wage rates in which the participant's cash grants or a portion thereof is diverted to the employer as a wage subsidy.
- ~~4332~~ Supported work and Transitionat employment are types of grant overstoen programs in which the participant's cash grants or a portion thereof is diverted to an intermediary service provider.

- tot Supported work is a gradual approach to employment in a work environment where individuals transition from working for long-term recipients with little or no employment history or marketable skills.
- tot Transition employment provides experience and training in a work environment for participants who have some marketable skills or a history of employment.
- *333 The EWB shall be permitted to create a special fund for the purpose of diverting the grant of a portion of the grant. The EWB shall be permitted to reimburse the employer from this special fund pursuant to a contract developed by the EWB or a PTC with the employer.
- *334 The EWB shall administer the grant diversion supported work and transition employment projects so that the participant does not receive less disposable income than if he/she had not participated in the project.
- tot Disposable income means the income available to the recipient by adding the aid payment and earnings from the grant diversion projects and subtracting the allowable employment related expenses as specified in Section 44-113.
- *335 The EWB shall ensure that the participant does not experience a break in income either as a grant payment or as a wage substituted by the diverted grants during the participant's transition into a grant diversion assignment.
- *336 The EWB shall not implement a grant diversion supported work or transition employment program until the EWB's plan for such a program is approved by SSSS.
- 33 On-the-job-training (OJT)
- *331 OJT is subsidized employment in which a participant receives job skills training from an employer. Grant diversion (as described in 42-730.4) may be used as a funding mechanism for OJT. At the end of the training, it is expected

that the participant will be retained by the employer.

•34 Supported work

•341 Supported work is a transitional work experience program provided by an intermediary service provider which is characterized by three factors: close supervision, graduated performance expectations, and peer support. Grant diversion (as described in 42-730.41) shall be the funding mechanism for supported work.

1a1 Supported work provides intensive basic training for long-term recipients with little or no employment history or marketable skills.

•35 Transitional employment

•351 Transitional employment is training and/or employment in a work setting arranged for and/or provided by an intermediary service provider. Grant diversion (as described in 42-730.41) shall be used as the funding mechanism for transitional employment.

1a1 Transitional employment provides training and experience for participants who have some marketable skills or a history of employment.

•4 Grant Diversion

•41 Grant diversion is a funding mechanism for subsidized employment, including UJT, supported work, transitional employment, or public or private sector employment, in which the participant's cash grant, or a portion thereof, or the welfare grant savings from employment, is diverted to the employer or an intermediary service provider as a wage subsidy.

•411 The LWD shall administer supported work, transitional employment, and UJT funded by grant diversion projects so that the participant does not receive less disposable income than if he/she had not participated in the project, by providing a partial aid payment to the participant if necessary.

- 1a1 Disposable income means the income available to the recipient by adding the participant's aid payment and earnings from the grant diversion project and subtracting the allowable employment related expenses as specified in Section 44-113, except that the \$30 and one-third disregard shall be applied for the duration of the assignment.
- 1b1 No aid payment will be made for participants who receive wages in excess of 185 percent of MSA. When this occurs, all or a portion of the maximum aid payment shall be diverted either to the employer or a wage pool.
- 412 A grant diversion assignment which exceeds 100 hours per month, but does not provide sufficient income to divert the participant's entire aid payment, shall not be considered an appropriate work assignment for an AFDC-unemployed parent.
- 413 The maximum duration of a grant diversion assignment shall be nine months.
- 414 The CWD shall ensure that the participant does not experience a break in income either as a grant payment or as a wage subsidized by the diverted grant during transition into a grant diversion assignment. Also, a break in participant income shall not occur as a result of employer misconduct as specified in Section 42-742.14, or when the participant is determined to have good cause as specified in Section 42-782.
- 415 The CWD shall be permitted to create a special fund for the purpose of diverting the grant or a portion of the grant to the employer or an intermediary service provider.
- 416 The CWD shall not implement a program funded by grant diversion until the plan for such a program is approved by SUSS.
- 417 Grant diversion shall be used as a funding mechanism only when the participant agrees to diversion of his/her grant.
- 45 Education services shall include:

•451 Adult Basic Education

•4511 Adult basic education shall be preemployment basic education, which includes reading, writing, and arithmetic necessary for employment or job training, including high school proficiency.

•452 College and Community College Education

•4521 College and community college education shall provide sufficient employment skills training that can reasonably be expected to lead to participant employment.

•453 Vocational English-as-a-Second-Language (VESL)

•4531 Vocational ESL shall be intensive instruction in English for non-English speaking participants and shall be coordinated with specific job training.

•454 Utilization of an self-initiated educational program or an educational program entered into as a result of the employment plan shall not exceed two academic years.

•56 Priority in Providing Services (see Section 42-720.234324).

•561 The CWD shall give priority in providing expensive services and services which must be provided for a lengthy period of time, such as supported work, transitional employment, and lengthy classroom training, to persons who have been recipients of AFDC for at least two years, or who have little or no employment history.

•562 The CWD shall provide less costly services and short-term services to program participants who have been recipients of AFDC for less than two years and who have a history of employment.

•5621 The CWD may provide a program participant with more costly services and services which must be provided for a lengthy period of time if it is determined through the development of the employment plan as specified in Section 42-773 that the less costly and short-term services would not be effective in assisting a program participant to achieve the ultimate goal of obtaining unsubsidized employment.

Authority: Welfare and Institutions Code Sections 10553,
10554, and 10604(d).

Reference: Welfare and Institutions Code Sections 10553,
11320.3, 11320.4, 11320.5(d) and (e), and
11320.55.

Remove and renumber MPP 42-740(c)(1) thru (5) to 42-730.13(1) thru (5); remove and renumber MPP 42-740(d)(1) thru (7) to 42-730.329(a) thru (g); remove and renumber 42-740(g) and (n) to 42-730.327 and .328, respectively; then amend MPP Section 42-740 to include 42-741 and 42-742 and to read:

42-740 PURCHASE CONTRACTS/AGREEMENTS FOR OF GAIN
JOB, TRAINING AND EDUCATION SERVICES 42-740

~~tat1~~ Contracts/agreements between the CWD and providers of job, training or education services, including employers providing PREP, shall include specific criteria as follows:

~~tat11~~ Contracts shall include the provision of participant job placement activities by the training or education or service provider.

~~tat12~~ Contracts shall provide for termination of the contract at the discretion of the CWD if the provider either:

~~tat121~~ violates the contract between the CWD and the participant as specified in Section 42-774; or,

~~tat122~~ fails to meet the performance criteria specified in the contract with the CWD.

~~tat13~~ Contracts shall specify the conditions outlined in ~~either tat or tat below~~ MPP 42-730.13 or 42-730.329, as appropriate.

~~tat14~~ Contracts shall specify the criteria for successful participant completion of the job, training, or education program, which shall be based on the contractor's normal standard of attendance or performance.

~~tat141~~ Contracts shall provide for reporting the participant's attendance and progress to the CWD at regular intervals.

~~tat15~~ Contracts for on-site job training programs, including PREP, as specified in Section 42-730.3, shall provide that the contracting provider obtain ~~for~~ worker's compensation insurance for participants.

~~tat~~ The provision of job training and education services other than PREP and B&F as specified in Sections 42-730.3 and ~~and~~ respectively by an entity contracting with the CWD shall be

Made in accordance with a competitively selected fixed-unit price performance based contract.

•2 Except as specified in •24 below, any contract/agreement which provides for payment for training and education services shall be competitively selected using applicable state and federal regulations. Payment shall be made based upon fixed-unit-price performance-based criteria.

t2t.21 Under these contracts, full payment shall not be considered earned by the contractor for training and education services as defined in Section 42-730.3 and .5, until either of the following has occurred:

tat.211 The participant has successfully completed the education program.

tat.211 A pro rata share of the payment shall be paid to the education provider if the participant does not complete the education program.

t8t.212 The participant has successfully completed the job training program and has been retained in unsubsidized employment for at least 180 days.

tat.211 Up to 70 percent of the fixed-unit-price for job training services may be paid upon placement in unsubsidized employment.

211 At least 30 percent of the fixed-unit-price for job training services shall be withheld for the follow-up during the 180-day retention period for in unsubsidized employment.

(tA) Progress payments shall be made from the 30 percent withholding portion upon evidence of participant job retention at 30, 90, and 180 days.

211 A pro rata share of the 70 percent fixed-unit-price payment in 11 above shall be paid to the job training service provider if the participant does not complete the job training either through failure to cooperate, as determined by the CWD, or the attainment of participant

obtains unsubsidized employment not related to the training.

tit Up to 70 percent of the fixed-unit price for job training may be paid if the participant does not complete the training but obtains unsubsidized employment related to the training.

tit tit If the participant in tit 1D above is retained for at least 180 days to obtain unsubsidized employment the remaining percentage shall be paid related to the training, as determined by the LWD, and is retained for at least 180 days, the difference between the pro rata payment in 1D above, and 70 percent of the fixed-unit price for training services shall be paid.

tit 22 Job training and education services funded by sources other than GAIN shall not be subject to the criteria and requirements of those sources and not to the requirements of .21 above. GAIN fixed-unit price contracts or to GAIN performance standards.

ter The LWD shall be responsible for receiving and resolving complaints regarding displacement.

42-741 AGREEMENTS FOR PREP

42-741

•1 Agreements between the CWD and providers of PREP shall include the specific performance criteria in section 42-740.1 and shall be consistent with 42-730.32.

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•11 Agreements are binding contracts even though they do not involve the exchange of money.

•12 The CWD shall ensure that the sponsor of a PREP assignment shall assist and encourage qualified PREP participants to compete for job openings occurring within the sponsor's organization.

42-742

CONTRACTS/AGREEMENTS FOR ON-THE-JOB
TRAINING (OJT), SUPPORTED WORK, AND TRANSITIONAL
EMPLOYMENT FUNDED BY GRANT DIVERSION

42-742

t1 Contracts and agreements with employers or intermediary service providers for grant diversion OJT, supported work, or transitional employment projects as specified in Sections 42-730.33, .34, and .35 shall be in accordance with Section 42-740 and shall provide that:

t1 Participants shall be employed or retained upon successful completion of the grant diversion OJT, supported work, or transitional employment period.

t2 The employer or service provider shall not discriminate against participants on the basis of race, sex, national origin, age, handicap, color, political affiliation, marital status, or religion.

t3 The employer or service provider shall obtain and maintain a surety bond in an amount equal to the total annual grant diverted to the employer or service provider.

t4 Except as specified in Sections 42-785 and/or 42-786, the CWD shall ensure that there shall be no interruption in the participant's receipt of income, whether as wages from the employer or aid payments from the CWD due to caused by the employer's conduct, except as specified in Sections 42-785 and 42-786.

t5 The CWD shall take action to recover from the employer or intermediary service provider any grant or portion of a grant that was lost due to fraud, malfeasance or theft by the employer or intermediary service provider.

16 Competitive selection for contracts and agreements funded by grant diversion may be limited to an application and screening process developed by the county.

Authority: Welfare and Institutions Code sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code sections 10553, 11320.3, 11320.35, 11320.36, and 11320.8.

Amend MPP Section 42-750 to read:

42-750 SUPPORTIVE SERVICES

42-750

- 1 Supportive services shall be provided to GAIN registrants to enable them to participate in GAIN activities or to accept employment opportunities. As specified in Section 42-7832.1(k) or 42-7823.1(gk), participation shall not be required if the needed services are not available, not arranged, or are insufficient to meet the participant's needs.
- 1.1 At a minimum, these services shall include child care referrals and payments, transportation costs, ancillary expenses, and personal counseling.
- 2 Child care services shall be available to every GAIN participant with a child under 12 years of age who has indicated the need in their basic or amended contract. CWDs are encouraged to contract with existing public and private child care programs to provide any or all of the services specified in this subdivision. Child care by family members shall be encouraged, but the choice between licensed or exempt child care arrangements shall be made by the participant.
- 2.1 Child care arrangements provided through GAIN shall meet the following standards:
 - 2.1.1 Standards required under Title 22, California Administrative Code, Division 12, Chapter 3 (commencing with Section 101251), unless exempt from licensure.
 - 2.1.2 If the CWD chooses to contract with any child care provider which is also under contract with the State Department of Education (SDE), these contracts shall be consistent with and shall not supersede all of the following:
 - (a) Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code.
 - (b) Applicable provisions of Title 5 and Title 22 of the California Administrative Code.
 - (c) Applicable SDE contract provisions.

.213 If the CWD or a contractor pays for child care services which are exempt from licensure with the exception of extended day care on a school site operated by school employees, all of the following information about the care provider shall be on file with the CWD, or agency contracting with the CWD, and shall be made available to the participant:

- (a) The care provider's name, address, and social security number.
- (b) The address where care is to be provided.
- (c) The hours care is to be provided, and the charge for this care.
- (d) The names, addresses, and telephone numbers of two character references.
- (e) A copy of a valid California driver's license or other identification to establish that the care provider is at least 18 years of age.
- (f) A statement from the care provider as to his or her health; education, experience, or other qualifications; criminal record; and names and ages of other persons in the home or providing care.

.22 In order to provide maximum choice to parents and to ensure the availability of child care, each county shall do all of the following:

.221 Assist participants in locating child care necessary for participation in GAIN and for the post program transition period consistent with Section .24 below. In so doing, the CWD shall:

- (a) Allow and promote parental choice by providing flexibility in child care arrangements and establishing payment arrangements consistent with Section .23 below.
- (b) Provide payment for and assist in arranging for the continuity of child care.

- (c) Provide payment for and assist in arranging for child care to participants whose program demands flexible hours of care, including evenings, weekends, and split shifts.
 - (d) To the extent possible, provide payment for and assist in arranging for transportation of children between school and care, if reasonable and necessary.
- .222 Coordinate with child care resource and referral agencies, school districts, and other local providers in the development of new child care resources where needed.
- .223 Include in the participant contracts referred to in Sections .42-771 through 42-774 the following information in relation to child care services provided in the GAIN program:
- (a) The name, birthdate, and sex of each child for whom care is to be provided.
 - (b) The types of child care to be provided, including care in the child's home, family day care, or center-based care.
 - (c) The scheduled hours of care per week.
 - (d) The beginning and anticipated ending dates of care, based on the participant's training program.
 - (e) The name and address of the child care provider.
 - (f) The rate of pay for child care services.
 - (g) Provisions for payment during temporary absences of the child or provider. (See .235 below.)
- .224 An amendment to the participant contract shall not be required in instances where the only change relates to child care arrangements. However, the basic contract shall specify that the participant shall notify the CWD of any such changes. This information shall be included in the participant's case file.

.23 Child Care Costs

- 231 GAIN funds may be used to pay for child care services arranged by the participant, providing those costs do not exceed regional market rates as specified in .233 below, and they meet the standards set forth in .21 above.
- 232 Child care payments for GAIN participants shall be paid on a per month, per week, per day, or per hour basis depending on the participant needs, and the contractual terms used by the care providers to charge private clients for the same services.
- 233 Participants shall be allowed to choose licensed or exempt child care, and the cost shall be reimbursed up to the regional market rate.
 - (a) Regional market rates shall be determined annually in accordance with resource and referral programs provided for under Article 2 (commencing with Section 8210) of Chapter 2 of Part 6 of the Education Code, and the Alternative Payment program provided for under Article 3 (commencing with Section 8220) of Chapter 2 of Part 6 of the Education Code.
 - (b) The regional market rate means care costing no more than 1.5 standard deviations above the mean market cost of care for that region.
 - (1) The mean rate for a particular type of child care in a particular region, is 75 percent of the daily reimbursement rate set by SBE for the Alternative Payment program serving that area multiplied by the appropriate adjustment factor listed in Article 3, Section 8265½ of Chapter 2 of Part 6 of the Education Code. The_mean_market_cost_for_care_in_a_region_shall_be_determined_based_on_a_statistically_valid_survey_of_the_rates_established_by_child_care_providers_for_private_clients.
 - (A) If no Alternative Payment program currently serves the

area the CWD shall work with the entity care resource and referral agency in the area to establish the entity reimbursement rate for computing the mean according to the procedures required by SBE or agencies applying for contracts to operate Alternative Payment programs. The regional market rate shall be updated every two years with recent survey data.

- 234 Reimbursement to child care providers for GAIN participants shall not exceed the fee charged to private clients for the same service. Reimbursement shall be made at a rate lower than that charged to private clients for the same service, if the child care program agrees to charge a lower fee.
- 235 GAIN funding will be available to pay for child care services when the child is temporarily absent from care, if it is agreed to pursuant to •223(g) above. Payment may be made for temporary absences only for the following verified reasons:
 - (a) Illness or quarantine of the child;
 - (b) Illness or quarantine of the parent;
 - (c) Family emergency;
 - (d) Court ordered visits with a parent or other relative of the child; or
 - (e) Other reasons approved by the CWD.
- 24 If a GAIN registrant terminates AFDC dependency due to earnings from unsubsidized employment, payment for child care services in accordance with Section •221 above shall be available for a transition period of three months.
 - (a) This transition period commences immediately following the discontinuance of AFDC.
- 25 The CWD shall ensure that there is a mechanism for collecting fees from participants receiving GAIN child

care subsidies in accordance with the most recent version of the SUE Family Fee Schedule.

No fee is charged if a participant's family income, including the AFDC grant, is less than 50 percent of the annually adjusted state median income.

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- 251 The fees collected by the CWD, or agency contracting with the CWD, shall be used to expand child care services or resources.
 - 3 Reasonable transportation costs shall be paid for every participant to and from his or her GAIN assignment, including transportation to and from the child care provider, and transportation for children to and from child care.
 - 31 Regional market rates for transportation shall be determined as follows:
 - 311 The least costly form of public transportation that would not preclude participation in GAIN as specified in Section 42-783.1(d).
 - 312 If there is no public transportation available which meets the requirements of •311 above, participants may use their own vehicles, and shall be reimbursed at a rate equal to the rate used to reimburse CWD employees for the use of privately-owned vehicles.
 - 313 Parking for GAIN participants shall be reimbursed at actual cost. Participants must submit receipts for this purpose, except in cases where parking meters are used.
 - 314 Reimbursement to participants who choose to use their own vehicles when public transportation is available shall not exceed the rate specified in •311 above.
 - 315 The CWD shall submit as part of their county plan, an alternative for rural areas in which there is no public transportation available, and where a per-mile reimbursement rate would result in excessive costs.
 - 4 Ancillary expenses shall be paid when necessary up to a maximum of \$450 per participant. These shall include books, tools, clothing, fees, and other necessary costs of a work or training assignment.

- 41 The maximum in •4 above may only be exceeded on an exception basis where the CWD determines that expenses in excess of the maximum are reasonable and necessary for participation.
- 5 A person who has personal or family problems that are jeopardizing the successful outcome of the employment plan entered into pursuant to Section 42-773 shall, to the extent available, receive necessary counseling or therapy to help him or her and his or her family adjust to his or her job training assignment.
- 51 The CWD shall specify the method(s) that it will use to provide these services in its initial county plan and annual updates.
- 6 Payments for supportive services shall be advanced to the participant whenever necessary and desired by the participant, so that the participant need not use his or her funds to pay for these services.

The CWD should minimize the need to make advance payments to participants by paying for services directly whenever necessary or desired. The CWD should seek recoupment of any unused portion of an advanced payment whenever possible.

- 61 Payments for supportive services, including reimbursement to licensed child care providers, shall be governed by regional market rates.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553, 11320, and 11320.3.

Amend MPP Section 42-761 to read:

42-761 GAIN REGISTRANT APPRAISAL

42-761

- 1 AS soon as administratively possible but within 20 working days after registration, the CWD shall perform the following:
 - 11 If the federal Targeted Jobs Tax Credit/California Jobs Tax Credit programs, under which hiring a GAIN registrant may qualify an employer for an income tax credit, are in effect, the CWD shall:
 - 111 Complete a written preliminary determination that the registrant is a member of a targeted group for purposes of the federal Targeted Jobs Tax Credit and the California Jobs Tax Credit.
 - 112 Give the registrant a tax credit form, snatt be given to the registrant.
 - 113 Advise the registrant to tell employers of the tax credit eligibility and to give the form to an employer when hired.

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- (a) The employer may send the form to the appropriate EDD office for certification.

- 12 Obtain information that assists in determining the status of the registrant.
 - 121 A self-appraisal form completed by the registrant may be used.
 - 122 The information collected shall include but not be limited to the following:
 - (a) Questions relating to the deferral criteria listed in •3 below.
 - (b) Whether the registrant has been employed during the past two years.
 - (c) Whether the registrant was discontinued from AFDC two or more times in the past three years due to the registrant's employment.

- 3 All of the following registrants shall be deferred from mandatory participation until the CWD determines that the situation precluding participation no longer exists:
 - (a) A caretaker relative who is enrolled in school for at least 12 units of credit and has a child under age six.
 - (b) A person who is so seriously dependent upon alcohol or drugs that work or training is precluded.
 - (c) A person who is having an emotional or mental problem that precludes participation.
 - (d) A person who is involved in legal difficulties, such as court-mandated appearances, which preclude participation.
 - (e) A person who does not have the legal right to work in the United States.
 - (f) A person who has a severe family crisis.
 - (g) A person who is in good standing in a union which controls referrals and hiring in the occupation.
 - (h) A person who is temporarily laid off from a job with a definite call-back date.
 - (i) A person who is employed for 15 or more hours per week.
 - (j) A person or a family member has a medically verified temporary illness.
- 31 The CWD may request verification of the reason for the deferral if necessary. (See Section 40-157.)
- 32 The CWD shall document the projected length of time of the deferral.
- 321 The CWD shall review the deferral situation periodically in accordance with the projected length of time of the deferral, but no less often than every six months.

.3 All of the following registrants shall be deferred from mandatory participation until the CWD determines that the situation precluding participation no longer exists:

- (a) A caretaker relative who is enrolled in school for at least 12 units of credit and has a child under age six.
- (b) A person who is so seriously dependent upon alcohol or drugs that work or training is precluded.
- (c) A person who is having an emotional or mental problem that precludes participation.
- (d) A person who is involved in legal difficulties, such as court-mandated appearances, which preclude participation.
- (e) A person who does not have the legal right to work in the United States.
- (f) A person who has a severe family crisis.
- (g) A person who is in good standing in a union which controls referrals and hiring in the occupation.
- (h) A person who is temporarily laid off from a job with a definite call-back date.
- (i) A person who is employed for 15 or more hours per week.
- (j) A person or a family member has a medically verified temporary illness.

.31 The CWD may request verification of the reason for the deferral if necessary. (See Section 40-157.)

.32 The CWD shall document the projected length of time of the deferral.

.321 The CWD shall review the deferral situation periodically in accordance with the projected length of time of the deferral, but no less often than every six months.

.33 When the deferral situation no longer exists, the registrant shall enter into a basic contract with the CWD.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553, 11320.3(e), 11320.5(a) and (D), 11320.5, and 11320.65.

Amend MPP Section 42-771 to read:

42-771 GAIN PARTICIPANT CONTRACTS

42-771

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All GAIN registrants are expected to engage in an active plan which will lead to gainful employment. The methods and time frames for fulfilling this expectation as well as the required supportive services, will be specified in a contract between the registrant and the county.

- 1 The contract shall be written in clear and understandable language and shall have a simple and easy-to-read format.
- 2 The CWD shall utilize the contract format and language developed by SDSS.
- 21 The CWD shall be permitted to add unique features to the contract which comply with •1 above and are approved by SDSS.
- 211 The CWD shall submit the language for these additions to SDSS as part of the county plan. Subsequent changes must be approved by SDSS before use.
- 3 The CWD shall allow the participant three working days after signing the contract, or any amendment to the contract, in which to reconsider and evaluate the proposed terms before the contract is considered final.
- 31 If any changes to the proposed terms are agreed to as a result of this consideration period, the contract shall be revised to reflect the changes and shall be considered final.
- 4 In developing the contract, the CWD shall take into consideration the availability of appropriate resources.
- 41 A participant shall not be placed involuntarily in any other training or education component, as specified in Sections 42-730.3 and 42-730.45, while waiting for assignment to the component agreed to in the contract.
- 4t2 The participant shall, however, receive job search services if the training or education component agreed to in the contract is not immediately available.

- .5 The contract shall provide for supportive services, as needed, to participate in the required component. (See Section 42-750.)

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553 and 11320.5.

Amend MPP Section 42-772 to read:

42-772 GAIN BASIC PARTICIPANT CONTRACT REQUIREMENTS 42-772

Based on the information obtained according to Section 42-761, the CWD shall determine the requirements of the basic contract.

- .1 For any participant who has not been employed within two years prior to GAIN registration, and who does not meet the conditions of .3 below, the basic contract shall provide that the individual participate in job club (Section 42-730.21), for a three-week period.
- .11 Participation in job club shall be delayed for individuals who meet the conditions in .4 or .5 below, unless they wish to participate concurrently in job club except as specified in .43, .52, and .53 below.
- .2 For any participant who has been employed within two years prior to GAIN registration, but who does not meet the conditions of .3 below, the basic contract shall provide that the individual has an option to participate for a three-week period in either job club (Section 42-730.21) or supervised job search (Section 42-730.22).
 - .21 The job search period may be shortened when it is determined that all reasonable job search efforts have been exhausted.
 - .211 This determination shall be subject to supervisory approval.
 - .212 This determination shall include consideration of factors such as job opportunities in the labor market and the individual's recent job search efforts. The CWD shall be permitted to verify the recent job search efforts.
 - .22 Participation in the chosen option shall be delayed for individuals who meet the conditions in .4 or .5 below, unless they wish to participate concurrently in the chosen option except as specified in .43, .52, and .53 below.
- .3 For any participant whose AFDC benefits have been discontinued two or more times within three years prior to GAIN registration due to his/her employment, the basic contract shall provide for an immediate referral to an assessment as specified in Section 42-773.

- 31 Referral to an assessment shall be delayed for individuals who meet the conditions in •4 or •5 below, unless they wish to be referred concurrently to an assessment except as specified in •43, •22, and •23 below.
- 4 For any participant who is enrolled and wishes to continue in a self-initiated vocational training program of limited duration or an educational program which is expected to lead to unsubsidized employment, the basic contract shall provide for continued participation in the program until completion.
 - 41 Participation as a GAIN participant, however, shall be limited to a total of two academic years.
 - 42 Vocational and educational programs which are expected to lead to unsubsidized employment shall be those which will provide the participant with the training or education required to obtain employment in an occupational field which is either:
 - 421 One that has been identified in the county's labor market needs assessment; or
 - 422 One for which the participant can demonstrate a need exists.
 - 43 An individual may choose to participate concurrently according to •11, •22, or •31 above, whichever is appropriate.
 - 434 The basic contract shall provide that if concurrent participation has not occurred as specified in •43 above, the participant shall participate according to •1, •2, or •3 above, whichever is applicable, when the participant completes the program or reaches the two-year limit, or when any of the following occur:
 - 4341 The participant stops participating in the educational or training program.
 - 4342 The participant fails or refuses to regularly attend the educational or training program.
 - 4343 The participant does not maintain satisfactory progress in the educational or training program.
 - 442 If the CWD determines that the participant had good cause for failing to meet the participation, attendance, or progress standards, based on the criteria specified

Section 3517.5 of the Education Code provides that the Superintendent of Public Instruction may enter into contracts with the State Board of Education for the preparation of materials for the use of public schools. The State Board of Education may enter into contracts with the State Department of Education for the preparation of materials for the use of public schools. The State Board of Education may enter into contracts with the State Department of Education for the preparation of materials for the use of public schools.

The CWD shall refer these participants to appropriate service providers, including health-out-living--to, the educational programs operated by school districts or county offices of education that have contracted with the county to provide services to participants pursuant to section 33117.5 of the Education Code.

•۴۶۳ If the party claimed that Article ۸۰۲۵ was referred to for guidance the relevant document was produced -
referred to as the "Memorandum of the Ministry of Justice". The memorandum was dated ۱۵-۱۲-۱۳۷۷ and
stated that the question concerned was whether the law on the protection of personal data was violated.
The answer was that it was not violated because the processing of personal data was carried out in accordance
with Article ۱۰ of the Law on Personal Data Protection. The answer also stated that the processing of personal data
was carried out in accordance with Article ۱۰ of the Law on Personal Data Protection.

•4562 The County Sheriff on the training of
each county's provider's normal standards of
attendance or performance to determine it the
participant meets the criteria of satisfactory
participation, attendance, and progress.

*4562 The County shall verify the documentation whenever authenticity is in doubt.

•456 The participant shall provide documentation from the training or educational provider to the county at least quarterly or at midpoints if more than three months to verify statutory participation in the program less than three months to verify statutory participation in the program.

III. SACRIFICATION 42-1782. DUE DUE SCHOOLS ALLOWS THE PARTRICIPATION IN CONVENTION IN THE PROGRAM, PARTRICIPATION ACCORDING TO 434 ABOVE SHALL NOT BE REQUIRED.

educational and training services to be provided and the length of time services are to be provided.

- .52 An individual may choose to participate concurrently according to .11, .22, or .31 above, whichever is appropriate.
- .53 If an individual objects to the requirement for immediate participation in the education program, the basic contract shall provide for immediate participation according to .1, .2, or .3 above, whichever is appropriate, followed by participation in an appropriate educational program, if employment is not obtained.
- .54 For participants who participate first or concurrently according to .1 or .2 above, a referral to an assessment (Section 42-773) shall not be made until the education program has been completed.
- .55 For participants who participate first or concurrently according to .3 above, an appropriate education program shall be part of the employment plan developed pursuant to Section 42-773.
- .6 For a participant who has an intercounty transfer, and has not completed the terms of a basic contract in the first county, the CWD and the participant shall enter into a new basic contract in the second county.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553 and 11320.5.

Amend MPP Section 42-773 to read:

42-773 DEVELOPMENT OF AN EMPLOYMENT PLAN

42-773

- 1 The following persons shall cooperate with the CWD, or agency contracting with the CWD, to develop a mutually agreed upon employment plan:
 - 11 Persons identified in Section 42-772.1 or 42-772.2 who have not obtained employment after three weeks of job club or supervised job search.
 - 12 Persons identified in Section 42-772.3.
- 2 In developing the employment plan, the CWD, or agency contracting with the CWD, and the participant shall develop an assessment of the skills and needs of the participant.
 - 21 The assessment shall include at least the following:
 - 211 The participant's work history, including employment skills, knowledge, and ability.
 - 212 The participant's educational history and present educational competency level.
 - 213 The participant's need for supportive services in order to maximize benefits from the employment and training services.
 - 214 The participant's employment goals, and an evaluation of the chances to achieve the goals given the participant's current and potential skills and the local labor market conditions.
 - 215 Identification of a goal to be attained upon completion of the program, the time it will take to achieve the goal, and the resources available to attain the goal.
- 3 The CWD shall be permitted to contract with any outside parties, including, but not limited to, local education agencies and service delivery areas, to provide this service. The assessment shall be conducted by a person qualified by education or experience, preferably with a Masters Degree in an employment counseling related field, to provide counseling, guidance, assessment, or career planning. Minimum qualifications shall be as specified in either •31 or •32 below:

.31 Graduation from an accredited college.

.311 College study must include at least 15 semester units in counseling preparation, of which at least three units must be in the area of career planning. The remaining 12 units must be in the areas of career planning, guidance principles and techniques, personality development, occupational and industrial information, tests and measurements, or other courses relating to counselor preparation; or

.32 Two years of counseling experience, including at least 50 percent vocational counseling in a variety of occupational fields, and 15 semester units as specified in .311 above.

.4 For counties which are subject to State Personnel Board standards and which elect to hire local agency employees to perform assessments, minimum qualifications for assessors shall be consistent with .3 and its subsections above as determined by the State Personnel Board in accordance with Government Code Sections 19800 et seq. and Local Agency Personnel Standards, California Administrative Code, Title 2, Division 51.

.45 If the CWD is unable to find or use persons to conduct the assessment who meet the qualifications specified in .3 or .4 above, the CWD shall provide the following information in the county plan:

.451 Why the qualifications cannot be met;

.452 What the proposed minimum qualification requirements are for the persons who will be performing the assessments; and,

.453 How, and over what time period, the persons selected to perform the assessments will acquire the qualifications specified in .32 above.

.56 If the participant and the assessor are unable to reach agreement on developing an employment plan, the CWD shall refer the matter for an independent assessment by an impartial third party with career planning experience, who has been designated by SDSS to perform this function.

.561 This assessment shall be binding upon the CWD and the participant and shall be used to develop the appropriate employment plan for the participant.

•562 When the independent assessment has been completed and the employment plan developed, the participant and the CWD shall amend the contract using the procedures as outlined in Section 42-774.1.

•563 No state hearing shall be granted regarding the development of an employment plan until an independent assessment has been performed.

•57 The results of the assessment and employment plan shall become an attachment to the contract and shall be used to amend the basic contract as specified in Section 42-774.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553 and 11320.5.

Amend MPP Section 42-774 to read:

42-774 PARTICIPANT CONTRACT AMENDMENTS

42-774

Whenever a participant is assigned to a different program component, the contract shall be amended to reflect the assignment and supportive services (Section 42-750) necessary for participation. The CWD and the participant shall sign the amended contract and be bound by its terms.

- 1 When the assessment in Section 42-773 has been completed, and the CWD and the participant have agreed upon a goal and the resources to be utilized, the CWD and the participant shall amend the basic contract. The contract amendment shall specify at least the following:
 - 11 The goal to be attained under the program.
 - 12 The job services and/or training or education services to be provided.
 - 121 The job services and training and education services may consist of one or more of the program components described in Sections 42-730.2, .3, and .42.
- (a) If the contract amendment includes an initial assignment to a job service component, the amendment shall also contain a provision for a subsequent assignment to an education or training program if the participant remains unemployed after job services.
- (b) If participation in more than one program component is specified in this amendment, another amendment is not required when the participant begins each of the specified components.
- (c) Assignment to a long term PKEP component shall not be part of this initial contract amendment. An assignment to advanced long-term PKEP shall be made only when the participant meets the conditions of •321 below. An assignment to basic long term PKEP shall be made only when the participant meets the conditions of •33 below.

- (d) If the education and training and education services (as described in Sections 42-750.3 and .42) to be provided under the contract are not immediately available, the participant shall receive job search services until the designated services are available.
- .122 The contract amendment shall provide that the participant has 30 days to request a change or reassignment once the training or education has begun. This grace period shall be available only once to each participant.
- (a) The CWD shall grant the participant's request for reassignment that is consistent with the assessment, and shall amend the contract accordingly.
- .13 The time frames and criteria for successful completion of the program and attainment of the goal.
- .131 With respect to training and education programs, the criteria for successful completion shall include regular attendance, satisfactory progress, and completion of the program.
- (a) If the CWD has entered into a contract with a service provider for the training or education program, the contract between the provider and the CWD shall contain provisions for reporting the participant's attendance and progress, as specified in Section 42-740attt4t14.
- (b) If there is no provider contract with the CWD, the procedures in section 42-772.49b shall be followed to monitor attendance and progress.
- .14 The supportive services to be provided to the participant by the CWD or contracted supportive service provider. (See Section 42-750.)
- .1 Any individual who remains unemployed after meeting the criteria established for successful completion of the assigned training or education services agreed to in .1 above, shall be referred to job search services for a period of 90 days. These job search services may include any of the services under section 42-750.4, depending on the

participant's needs. The contract shall be amended to reflect the assignment to a job search component, and the provision of supportive services.

.21 If the participant remains unemployed at the end of the 90-day job search period, the CwD shall evaluate the participant's situation and reassign him/her to an advanced long-term PREP assignment, as described in section 42-730.32. The contract shall be amended to reflect the assignment to the PREP component and the provision of supportive services.

.211 The assignment to advanced long-term PREP shall be for 12 months. The assignment may be shortened in accordance with .4 below.

.3 Whenever a participant does not have good cause for failing to meet the criteria specified in .131 above for successful completion of the assigned training or educational services agreed to in .1 or .2 above, he/she shall be reassigned to a basic long-term PREP assignment as described in Section 42-730.32. The contract shall be amended to reflect the assignment to basic long term PREP, and the provision of supportive services.

.31 The assignment to basic long-term PREP shall be for 12 months. The assignment may be shortened in accordance with .4 below.

.4 The CwD shall review a participant's basic or advanced long-term PREP assignment at least every six months to ensure its continued conformity to the contract and its likelihood of leading to unsubsidized employment.

.41 This review shall include the following:

.411 A visit to the participant's worksite; and

.412 A discussion with the participant's supervisor and the participant about his/her assignment and/or job search progress.

.42 If the assignment is clearly inconsistent with the participant contract or cannot lead to unsubsidized employment, the CwD shall perform the following:

.421 If the assignment is a basic PREP assignment, and the participant has not developed basic work behavior skills that would be considered acceptable to an employer, refer the participant

for the remainder of the one-year period to another basic PREP assignment which conforms to the contract and has a likelihood of leading to unsubsidized employment.

.4222 If the assignment is a basic PREP assignment, and the participant has displayed consistent progress and developed basic work behavior skills that would be considered acceptable to an employer, refer the participant to another component that is consistent with the employment plan.

.4223 If the assignment is an advanced PREP assignment, refer the participant for the remainder of the one-year period to another advanced PREP assignment which conforms to the contract and has a likelihood of leading to unsubsidized employment.

(a) If no suitable advanced PREP assignment exists, a review of the participant's employment plan and any necessary revisions to obtain the goal of unsubsidized employment shall be made.

- 5 At the end of the one-year period of long term PREP, the EWA qualified assessor (see Section 44-773.31) and the participant shall review the employment plan, and shall make any revisions necessary to obtain the goal of unsubsidized employment. These revisions shall become an amendment to the basic contract.
- 6 For a participant who has an intercounty transfer, and has not completed the terms of an amended contract in the first county, the second county shall determine if a new assessment is needed, and/or to which component the participant shall be assigned, and shall enter into a contract with the participant.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553 and 11320.5.

Amend MPP Section 42-781 to read:

42-781 CAUSE DETERMINATIONS AND INFORMAL
AND FORMAL COUNCILIATIONS

42-781

- 1 Before money management (Section 42-785) or ~~financial~~ sanctions (Section 42-785) are applied, the CWD shall determine if there is good cause and attempt to resolve the problems when an individual who is required to enter into a participant contract or who volunteers to participate in the program fails or refuses to meet any of the following program requirements:
 - 11 Enter into the contract.
 - 12 Participate in a program component that was agreed to in the contract.
 - 13 Accept a job offer or a job referral.
- 2 The CWD shall give the individual an opportunity to explain why he/she refused or failed to meet the program requirements.
 - 21 The CWD shall send the individual an appointment notice to meet and discuss the action. The interview and determination of cause shall occur within ten working days of the discovery of the refusal or failure.
 - 211 The notice shall contain the following information:
 - (a) A statement that the appointment is to determine if the individual had good cause for not meeting the program requirements.
 - (b) A description of the program requirement that the individual failed or refused to meet.
 - (c) A statement that the individual has the right to provide an explanation of the refusal or the failure to meet program requirements.
 - (d) The consequence of failing to keep the appointment.

- (e) A listing of what may constitute good cause for failing or refusing to meet program requirements.
 - (f) A statement that the participant individual has a right to a 30-day formal conciliation period that shall not exceed 30 days if the CWD finds that the failure or refusal to meet program requirements was without good cause and informal steps to resolve the noncompliance are unsuccessful.
 - (g) A proposed conciliation plan which outlines the terms under which the individual may resume program participation and bring the conciliation process to an end.
 - (h) The participant's individual's right to offer a counter-proposal towards conciliatory resolution.
 - (i) The names and addresses of the local legal services office and welfare rights office, if any, which can assist with the conciliation.
 - (j) The consequences of a failure to resolve the dispute during the formal conciliation process.
- .212 At the time of the interview the CWD shall review with the individual his/her rights, duties, and responsibilities as described in Section 42-760.4.
- .22 If the individual contacts the worker prior to the scheduled interview to request rescheduling, the interview shall be rescheduled. The number of rescheduleings shall not exceed two. The CWD shall be permitted to conduct telephone interviews to accomplish the cause determinations.
 - .23 If the individual does not keep the appointment for the determination and has not contacted the CWD, a cause determination shall be made from available information.
 - .3 If the CWD determines, based on the criteria specified in Section 42-782, that good cause existed for the failure or refusal to meet the program requirements, the county shall, as necessary:

- 31 Determine if the problem causing noncompliance has been resolved and the participant individual can immediately resume participation without further action.
 - 32 Identify and arrange for additional supportive services that will allow for participation in a program component.
 - 33 Determine with the individual if participation in another component would be appropriate.
 - 34 Determine if temporary deferral is appropriate (Section 42-761.3).
 - 35 Amend the participant contract as appropriate.
- 4 If the CWD determines that no good cause existed for the failure or refusal to meet program requirements, the CWD shall conduct informal conciliation.
- 41 Informal conciliation shall consist of offering the participant individual an opportunity for an interview with the supervisor of the CWD staff person who made the cause determination or other designated individual. The CWD shall be permitted to involve other parties relevant to the participant's individual's noncompliance, such as the participant's individual's trainer or supervisor.
 - 411 The purpose of the interview is to redetermine if good cause exists for the failure or refusal to meet requirements and to attempt to resolve the conflict so that the individual will meet the requirements.
 - 412 The interview shall be conducted either in person or by telephone.
- 5 The CWD shall make all reasonable efforts to conduct informal conciliation within five working days of the initial cause determination. The informal conciliation period shall not exceed ten working days from the initial cause determination.
- 6 If the informal conciliation process is unsuccessful in achieving compliance, the CWD shall begin formal conciliation.
- 61 The formal conciliation process shall begin immediately following the unsuccessful informal conciliation process, if possible, but no later than ten working days following the initial cause determination.

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- 52 The CWD shall use its proposed conciliation plan and/or the participant's individual's counter-proposal to encourage compliance with GAIN requirements and resolve the problems which had resulted in noncompliance.
 - 7 The formal conciliation period shall not exceed 30 calendar days.
 - 71 The individual shall be permitted, upon written request, to terminate the formal conciliation process sooner than 30 days when he/she believes that conciliation will not resolve the dispute.
 - 72 The CWD shall be permitted to terminate the formal conciliation plan sooner than 30 days if the individual refuses to meet the conditions of the conciliation plan.
 - 8 The CWD shall notify the individual in writing of his/her successful completion of the conciliation plan.
 - 9 If the formal conciliation process is unsuccessful in resolving the conflict, the following shall occur:
 - 91 If this was the first instance of noncompliance without good cause, the CWD shall follow the procedures in Section 42-785 for money management.
 - 92 If this was a second or subsequent instance of noncompliance, the CWD shall follow the procedures in Section 42-786 for financial sanctions.

The procedures described above for the cause determination and formal conciliation are the same procedures used when a participant files a formal grievance based on Section 5302 of the Unemployment Insurance Code. (See Section 42-787.)

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553, 11320.5, and 11320.7; and Unemployment Insurance Code Section 5302.

Amend MPP Section 42-782 to read:

42-782 GAIN GOOD CAUSE CRITERIA

42-782

- 1 Good cause for a refusal or failure to enter into a participant contract as required, to participate in a program component agreed to in the participant contract, or to accept a job offer or referral shall include any of the following:
 - (a) An assignment, job referral, or job does not meet appropriate work and training criteria, as specified in Section 42-783.
 - (b) The individual is temporarily ill or incapacitated.
 - (c) The individual is required to appear in court or is temporarily incarcerated.
 - (d) The individual is experiencing a family crisis or change of individual or family circumstances, such as any of the following:
 - (1) Death of a spouse, parent, or child;
 - (2) Illness of a spouse, parent, or child which requires the individual's immediate attention.
 - (e) Inclement weather or other act of nature precludes travel to the activity.
 - (f) A breakdown in transportation arrangements occurs with no ready access to alternate transportation.
 - (g) Any other social service not specifically mentioned in the contract is required to allow the individual to meet program requirements. The individual needs a social service not specifically mentioned in the participant contract but which is required for participation.
 - (h) The individual refuses to accept major medical services even if the refusal precludes participation in the program.
 - (i) Licensed or exempt child care is not reasonably available during the individual's hours of training or employment, including commuting time.

- (1) "Reasonably available" child care includes having at least two choices of child care arrangements which do not require either of the following:
 - (A) Adding more than one-half hour one-way to the participant's commuting time; or
 - (B) The child to transfer to a different school.
 - (2) The choices of day care shall meet either ~~the~~ teenstng the requirements of the criteria specified in Section 42-750.~~it321~~ 321.
 - (J) A breakdown or interruption of child care arrangements occurs.
 - (K) Suitable special needs child care is not reasonably available for children with disabilities, chronic illnesses, or other special needs.
 - (L) An individual is engaged in employment or training that is consistent with the employability objectives of the program, and prior notification and approval from the CWD has been received.
 - (M) At the discretion of the CWD, any substantial and compelling reason other than those specified in this section.
- .2 No sanction shall be applied, and no cause determination is required, for any participant who, during a week, is absent or tardy less than ten percent of the weekly hours required for any component.
- .21 Participants shall not be permitted to accumulate unused hours past the end of each week.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(d).

Reference: Welfare and Institutions Code Sections 10553 and 11320.7.

Amend MPP Section 42-783 to read:

42-783 CRITERIA FOR DETERMINING APPROPRIATENESS OF GAIN WORK AND TRAINING

- 1 For determining good cause, an assignment, job referral, job offer, or job is not considered appropriate work or training, as specified in Section 42-782, if it meets any of the following conditions:
 - (a) Discriminates in terms of age, sex, race, color, religion, national or ethnic origin, physical or mental handicap, political affiliation, or marital status.
 - (b) Requires travel between the place of employment or training and one's home that exceeds a total of two hours round trip, or two miles round trip when walking is the only available means of transportation.
 - (1) The limit on travel time and mileage excludes transportation time/mileage to take family members to and from school or care providers.
 - (c) Involves conditions and responsibilities that impair the participant's physical or mental health, or that are not related to the participant's capability to perform the task on a regular basis.
 - (d) Involves conditions that are in violation of applicable health and safety standards.
 - (e) Is not within the scope of the employment plan contained in the contract as specified in Section 42-773.
 - (f) The employment or training program position was created in violation of the criteria specified in Section 42-740et seq. or ~~42-730.13~~ or ~~42-7329~~.
 - (g) The employment, offer of employment, or work activity does not provide for worker's compensation.
 - (h) Accepting the employment, offer of employment, or work activity would cause the individual to violate the terms of his/her union membership.
 - (i) Accepting the employment, offer of employment, or work activity would interrupt an approved education or job training program, or would prevent the individual from

returning to his/her regular job within a reasonable period of time, with the following exceptions:

- (1) The training program that would be interrupted is a PREP assignment as specified in Section 42-730.32.
- (2) The job offer provides either or the following:
 - (A) Employment and sufficient income to lead to self-support, and the job offer is within the scope of the employment plan.
 - (B) Temporary employment while the individual is waiting for reemployment in his/her regular job.
- (J) The employment or offer of employment exceeds the daily or weekly hours of work customary to the occupation.
- (K) The participant is not receiving the supportive services agreed to in the participant contract entered into under Sections 42-772 or 42-774.
- (L) Ancillary expenses exceed the limit allowed in Section 42-750.4.
- (M) The employment or offer of employment is at a wage level that results in a net loss of income, as specified in Section 42-784^v, and acceptance of a job offer was not agreed to as part of the employment plan and contract amendment as specified in Sections 42-773 and 42-774^v.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553 and 11320.7.

Amend MPP Section 42-784 to read:

42-784 METHOD OF DETERMINING NET LOSS OF INCOME
FOR GAIN GOOD CAUSE CRITERIA

42-784

- 1 This section shall apply when the job refusal occurs while the participant is under the terms of a basic contract that is before the participant has been assessed and developed an employment plan.
- 1.1 The computation of net loss of income would only be a factor when the participant would lose AFDC eligibility due to income if the job were accepted; that is, the requirements of Section 44-207 would not be met if the job were accepted.
- 2 For purposes of determining good cause under GAIN, net loss of income is considered to occur when current income is greater than the post employment income would be if the job offer were accepted, and it was not agreed to or part of the amended contract.
- 3 Current income for this section means the person's AFDC grant plus net nonexempt income determined under Section 44-100 for the budget month.
- 4 Post employment income shall be determined as follows:
 - 4.1 Determine what the monthly gross earnings from the job offered would be if the job were accepted.
 - 4.2 From the gross earnings determined in •4.1 above, deduct all of the following as if the job had been accepted:
 - 4.2.1 Mandatory deductions that would be made from the earnings. These include only the following:
 - (a) Federal, state, and local income taxes;
 - (b) Social Security (FICA);
 - (c) State Disability Insurance;
 - (1) if the employer carries comparable private disability insurance instead of state Disability insurance, the private disability insurance cost would be deducted;
 - (d) Mandatory union dues;

- (e) Mandatory retirement contributions;
- (f) Court-ordered wage garnishments;
- (g) Any other deduction that is both mandatory and legal deduction.

•422 The cost to the participant of health insurance premiums offered by the prospective employer to insure the assistance unit members.

- (a) If more than one health insurance plan is offered by the employer, the cost of the least expensive plan which offers coverage comparable to that of CWD employees shall be deducted.
- (b) If health insurance is not offered by the employer, deduct the cost of purchasing health insurance coverage for the assistance unit, based on the competitive market rate.
- (c) The CWD shall determine the competitive market rate annually by averaging the cost of health insurance that is comparable to health coverage for CWD employees from at least five local insurance carriers who provide health coverage to individuals. If there are less than five local insurance carriers in the county, the CWD shall average the cost from all of the local carriers.

•423 Child care expenses based on the regional market rate.

- (a) The regional market rate for child care shall be determined in accordance with Section 42-750.233.

•424 The standard work expense disregard of \$75, as specified in Section 44-113.214, to cover expenses such as transportation, tools, and uniforms.

•425 The cash equivalent value or the difference between the assistance food stamps the recipient is currently eligible for and the nonassistance

food stamps the participant would be eligible for if the job were accepted.

(a) The amount of assistance food stamps and the nonassistance food stamps shall be determined according to Section 63-503.3.

.43 To the amount determined in .42 above, add any unearned income that is not exempt under Section 44-111.

.431 For purposes of this subsection, unearned income also includes net nonexempt income from other assistance unit members that is used in computing the aid payment.

.5 Example:

The participant's assistance unit consists of mother and two children. The assistance unit had \$50 of net nonexempt income in the budget month. The participant is in Job Club as required by her basic participant contract. The participant is offered a job that pays \$1,100, which exceeds 185 percent of MBSAC for her assistance unit. No health coverage is offered by the employer. Mandatory deductions are estimated to be \$150. Health insurance, based on the CWD's annual survey, would cost \$200 per month. The regional market rate for child care for two children is \$150. The participant's household would receive \$70 less food stamps if the job were accepted.

The calculation for current income would be done as follows:

AFDC Grant	\$537
Net Nonexempt Income from Budget Month	+ 50
Current Income	<u>\$587</u>

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The calculation for "post-employment income" would be done as follows:

Gross earnings from job offered	\$1,100
- Mandatory Deductions	- 150*
- Health Insurance premium	- 200*
- Child Care	- 150*
- Work Related Expense	- 75
- Difference between PA Food Stamps and NA Food Stamps	= 70*
Subtotal	\$ 455

Net nonexempt income from budget month	+ 50
Post-employment Income	\$ 505

Because the post employment income is less than current income, the participant would have good cause for refusing this job offer.

* These costs are for illustration purposes only.

Authority: Welfare and Institutions Code Sections 10553,
10554, and 10604(b).

Reference: Welfare and Institutions Code Sections 10553 and
11320.7.

Amend MPP Section 42-785 to read:

42-785 GAIN MONEY MANAGEMENT

42-785

- 1 Money management shall be applied when all three of the following conditions are met:
 - 11 The individual has failed or refused to meet GAIN program requirements for the first time without good cause; and
 - 12 Informal and formal conciliation efforts under Section 42-781 have failed; and
 - 13 The individual is not a volunteer participant in GAIN.
 - 131 If a volunteer participant engages in actions which would result in money management for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.
- 2 The CWD shall either arrange for a substitute payee, develop a plan for vendor payments, or do both, for the money management period to ensure that none of the grant is paid directly to the participant's assistance unit.
 - 21 If the CWD chooses to make payments to a substitute payee, the CWD shall name the payee.
 - 211 If the CWD is unable to name a substitute payee, the CWD shall allow the recipient to name someone or shall arrange for vendor payments. (See Section 44-309.13 for selection criteria.)
 - 212 If an agency payee is used, the agency must ensure that no conflict of interest exists. (See Section 40-107.21.)
 - 22 The CWD shall be allowed to contract with outside parties to perform the activities associated with money management.
- 3 Money management shall begin on the first of the month following the end of formal conciliation.
 - 31 Before beginning money management, the CWD shall provide at least a ten-day written notice of the intent to begin money management.

- .311 If the CWD is unable to provide the ten-day notice before the first of the month following the end of formal conciliation, money management shall begin with the next payment installment. However, the entire calendar month following the end of formal conciliation shall be counted as the first of the three months of money management.
- .4 Money management shall occur for a three-month period, with the following exception:
 - .41 The money management period shall be terminated, and, if administratively feasible, the next aid payment installment following termination shall be paid to the participant, if any of the following occur:
 - .411 The participant and CWD reach an agreement regarding participation, including a determination that the participant should be exempt (Sections 42-631 through 42-641) or deferred (Section 42-761.5).
 - .412 The participant performs the activity he/she had previously failed or refused to perform.
- .5 If the participant fails to comply with program requirements by the end of the money management period, or violates an agreement to comply made during the management period, financial sanctions shall be imposed according to Section 42-786.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553 and 11320.6.

Amend MPP Section 42-786 to read:

42-786 GAIN FINANCIAL SANCTIONS

42-786

- 1 Financial sanctions shall be applied when the mandatory participant fails or refuses to meet program requirements without good cause, and any of the following occur:
 - 11 The participant fails to cooperate by the end of the money management period.
 - 12 The participant fails or refuses to meet program requirements without good cause for a second or subsequent time, and informal and formal conciliation efforts have failed.
 - 13 The participant violates the agreement to participate made during the money management period.
- 2 The first financial sanction period shall last for three months. Any additional sanction periods shall last for six months.
- 3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:
 - 31 If the individual who failed or refused to participate is:
 - 311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to .5 below and Section 44-310 for protective payments); or
 - 312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
 - 313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
 - 314 The principal earner, aid shall be discontinued to all members of the family whose sole basis of deprivation is the unemployment of that parent.
 - 4 The discontinuance from aid shall become effective at the end of the month following the CWU's timely and adequate

notification (see Section 22-022.1), except as specified in Sections 42-787.41 and .61 below:

.41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.

.411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.

(a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.

.42 If the recipient files a formal grievance based on either the procedures established by Section 5902 of the Unemployment Insurance Code or the procedures established by the Board of Supervisors (Section 42-787) to appeal the sanction and fails to meet GAIN program requirements during the formal grievance process, no aid for the sanctioned individual or sanctioned assistance unit shall be paid pending the outcome of the formal grievance procedure or any subsequent appeals.

.5 The CWD shall arrange for a protective payee in the case of a sanctioned caretaker relative. (See exception at Section 44-310).

.6 The CWD shall restore aid:

.61 Upon expiration of the sanction period if the individual applies for aid, registers with GAIN as required in Section 42-760, and is otherwise eligible; or

.62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).

.7 Financial sanctions shall not apply to individuals who voluntarily participate in the program.

.71 If a volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

Authority: Welfare and Institutions Code Sections 10553,
10554, and 10604(d).

Reference: Welfare and Institutions Code Sections 10553,
11308, 11320.8, and 11320.85; and 45 CFR
205.10(a)(5)(i).

Amend MPP Section 42-787 to read:

42-787 GAIN STATE HEARING AND FORMAL GRIEVANCE

42-787

Except as specified in Section 42-787.5 below, whenever a participant believes that any program requirement or assignment is in violation of the contract or is inconsistent with the program, the CWD shall inform him/her of the right either to request a state hearing, to file a formal grievance based on the procedures established in Section 5302 of the Unemployment Insurance Code, or to file a formal grievance based on the procedures established by the county board of supervisors. However, neither of the formal grievance processes shall be used when a participant is dissatisfied with the results of an assessment made according to Sections 42-773 or 42-774-a.

.1 State Hearing

.1.1 The CWD shall inform the individual of his/her right to file an appeal through the state hearing process as an alternative to the formal grievance procedures.

.1.2 Procedures for a state hearing are specified in MPP Division 22.

.1.3 Aid will continue if the individual appeals through the state hearing process within the period of timely notification (see Section 42-786.41).

.2 Formal Grievance (Section 5302 of the Unemployment Insurance Code)

.2.1 The procedures established for a formal grievance by the Unemployment Insurance Code are the same as those required for a cause determination and formal conciliation as specified in Section 42-781. These procedures shall not exceed thirty (30) days.

.3 Formal Grievance (County Board of Supervisors)

.3.1 The procedures for a formal grievance established by the county board of supervisors and the duration of these procedures shall be specified in the county plan. Refer to Section 42-720.34.

.4 The participant shall be permitted to request a state hearing to appeal the outcome of a formal grievance.

- 5 The sole issue for resolution through a formal grievance procedure shall be whether a program requirement or assignment is in violation of the contract or inconsistent with the program. The participant shall not be permitted to use either of the formal grievance procedures referred to in •2 or •3 above to appeal the outcome of a state hearing, or the requirement to sign a basic contract, or the results of an assessment made according to Section 42-773.
- 51 Nothing in Section 42-787.5 above shall be construed to exclude registrants who fail to sign a basic contract from the formal conciliation process specified in Section 42-781.
- 6 The individual shall be subject to sanctions pending the outcome of the formal grievance procedure or any subsequent appeal only if he/she fails to participate during the period the grievance procedure is being processed. If the individual continues to participate in the program during the formal grievance process and wants to grieve a program requirement or assignment which he/she believes is inconsistent with the program or is in violation of the contract, aid will be continued and the participant shall not be subject to sanctions.
- 61 If an individual has already unsuccessfully completed the formal conciliation under the Unemployment Insurance Code Section 5302 due to nonparticipation (MPP Section 42-781) and the individual wants to grieve a program requirement or assignment at this time, only the formal grievance procedure established by the county board of supervisors and/or the state hearing process will be available. Aid will be continued only if the individual begins to participate in the program prior to the commencement of sanctions and continues to participate for the duration of the grievance process.
- 62 If an individual files a grievance after the sanction commences, the sanction will not be suspended.
- 67 The CwD shall address any complaints of discrimination based on race, color, national origin, religion, political affiliation, marital status, sex, age, or handicap which may arise through an applicant's/recipient's registration for or participation in GAIN in accordance with the provisions of MPP Division 21 - Nondiscrimination in State and Federally Assisted Programs.

Authority: Welfare and Institutions Code Sections 10553,
10554, and 10604(D).

Reference: Welfare and Institutions Code Sections 10553,
11320.5, and 11320.65; Government Code Section
11135 et seq.; and Public Law 88-352, Titles VI
and VII of the Civil Rights Act of 1964.

Amend MPP Sections 44-206.1(a), (g), (m), and .2s to read:

44-206 PERSONS WHO MUST BE EXCLUDED FROM THE ASSISTANCE UNIT (AU) (Continued)

44-206

- 1 The following persons must be excluded from the assistance unit (even if it would be appropriate to include them under Sections 44-205.4 or .5): (Continued)
 - (d) A person who is being sanctioned for any of the following reasons:
 - (1) A parent, pregnant woman, or needy caretaker relative who refuses to assign support rights.
 - (2) A parent, pregnant woman, or needy caretaker relative who refuses to cooperate in the identification and location of the absent parent, establishment of paternity, and enforcement of the support obligation as determined in Section 43-107.1. (Cooperation Requirements)
 - (3) A parent, pregnant woman, or needy caretaker relative who refuses to apply for or accept unconditionally available income. (Section 44-103.22)
 - (4) A caretaker relative or a registered child who fails to meet GAIN program requirements without good cause (see Section 42-786).
 - (e) (Continued)
 - (f) (Continued)
 - (g) Any relative who is required to register and who is not registered in accordance with Section 42-625.
 - (h) (Continued)
 - (i) (Continued)
 - (j) (Continued)
 - (k) (Continued)
 - (l) (Continued)

- (m) Any applicant or recipient required to register in accordance with Section 42-625 who without good cause does not meet all conditions of eligibility for UIB. (See Section 44-103.117).

44-206 PERSONS WHO MUST BE EXCLUDED FROM THE ASSISTANCE UNIT (AU) (Continued)

44-206

.2 The entire family is ineligible for aid payments when:
(Continued)

- .23 An AFDC principal earner has been sanctioned by WIN Demo or GAIN. (See Section 42-691 or 42-786 as appropriate.)

Authority: Welfare and Institutions Code sections 10553, 10554, and 10604(b).

Reference: Welfare and Institutions Code sections 10553, 11308, and 11320.6.

Amend MPP Section 44-350.14 to read:

44-350 OVERPAYMENTS -- GENERAL

44-350

.1 General (Continued)

- .14 The county shall take all reasonable steps necessary to promptly correct and collect any overpayments that are known to the county. This includes recovery of overpayments due to either applicant/recipient and/or county administrative errors. See exception at Section 42-730.324(b) regarding ~~forgiveness waiver~~ of overpayments when a recipient stops participating in a GAIN preemployment work assignment before an adjustment to required work hours has been made.

Authority: Welfare and Institutions Code Sections 10553, 10554, and 10504(D).

Reference: Welfare and Institutions Code Sections 10553 and 11320.55.

86-0520-9

STATE OF CALIFORNIA
STD Form 40 (Rev. 8/85)

RECEIVED FOR FILING

1986 MAY 20 PM 4:46

OFFICE OF
ADMINISTRATIVE LAWENDORS
APPROVED
JUN 18 1986

Office of Admin Law

For use of Office of Adm Law

FACE SHEET

(See Instructions on Reverse)

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW
CERTIFICATION: I hereby certify that the attached
are true and correct copies of regulations
adopted, amended or repealed by this agency
and that the information specified on this Face
Sheet is true and correct.

ORD#1285-59

FILED

In the office of the Secretary of State
of the State of California

JUN 18 1986

At 4:49 o'clock P.M.

MARCH FONG EU, Secretary of State

By Marjorie Heidinger
Deputy Secretary of State

For use by Secretary of State only

DEPARTMENT OF SOCIAL SERVICES

(AGENCY)

Linda S. McMahon

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: 5/16/86

1. AGENCY CONTACT PERSON FOR THIS FILING
(See Instructions)

TITLE

TELEPHONE

445-0313

1. Rosalie Clark Regulation Development Bureau, Chief
2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)
- Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)
 Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

Title 22

SECTIONS ADOPTED:

42-802.21 and 42-809.1

SECTIONS AMENDED:

SECTIONS REPEALED:

- b. The following sections listed in 3a contain modifications to the text originally made available to the public: January 31, 1986–
March 21, 1986

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

- prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

- No Yes, if yes, give date(s) of prior submittal(s) to OAL:

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

- No Yes, if yes, give date statement was submitted to OAL

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

- | | |
|---|--|
| <input type="checkbox"/> Fair Political Practices Commission
(Include FPPC approval stamp) | <input type="checkbox"/> Building Standards Commission
(Attach approval) |
| <input type="checkbox"/> State Fire Marshall (Attach approval) | <input type="checkbox"/> Department of Finance (Attach properly signed Std. 399) |
| <input type="checkbox"/> Other _____
(SPECIFY AGENCY) | |

a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER	b. DATE OF FINAL AGENCY ACTION	c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8c)
January 31, 1986	May 20, 1986	May 1, 1986-May 15, 1986

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
- b. Effective upon filing with the Secretary of State.
- c. Effective on _____ as required or allowed by the following statute(s): _____.
- d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
- e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list *section* number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
- b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

CERTIFICATE OF COMPLIANCE - Section 11346.1(e), Government Code

The Department of Social Services hereby certifies that it has complied with the provisions of Sections 11346.4 through 11346.8 inclusive of the Government Code, within 120 days of the effective date of the following emergency regulations which were filed with the Secretary of State on January 23, 1986, and which became effective on January 23, 1986.

Manual of Policy and Procedures, Divisions 42, Chapters 720 and 800-812 and Division 69, Chapter 206, Sections:

<u>Amended</u>	<u>Adopted</u>
	42-720.134
	42-800.1 and .2
	42-801.1-.3
	42-802.1-.31 et.seq.
	42-803.1-.4
	42-804.1 and .11
	42-805.1
	42-806.1
	42-807.1
	42-808.1
	42-809.1
	42-810.1
	42-811.1
	42-812.1 and
	69-206.121

These regulations were presented at public hearing on March 17, 18, 19, and 21, 1986. As a result of the public hearing the following sections have been changed.

Amended

42-802.21
42-809.1

Linda S. McMahon

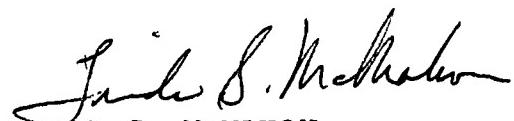
LINDA S. McMAHON
Director

5/16/86

Date

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

42-720 THE GAIN COUNTY PLAN

42-720

.1 Plan Approach

.13 (Continued)

- 134 If a county elects to serve RCA program applicants and recipients, MPP Chapter 42-800 provisions shall apply to these individuals.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e).

42-800 GAIN REQUIREMENTS FOR RCA PARTICIPANTS:
INTRODUCTION

42-800

- .1 RCA eligibles who are residing in areas in which the county plan provides for their participation in the GAIN program, and who have more than six months of time-eligibility remaining as determined under Section 69-206.212, shall be required, as a condition of eligibility, to register and participate in GAIN.
- .2 All Chapter 42-700 regulations shall apply for purposes of Refugee Cash Assistance GAIN participants, unless superseded by regulations contained in Sections 42-800 through 42-812.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 11320(f)(5), 11320.2(e), and 11320.5(a); and 8 USC Section 1522(e).

42-801 GAIN REGISTRATION FOR RCA GAIN PARTICIPANTS

42-801

- 1 The RCA eligible who meets the criteria in Sections 69-206.12 and 42-800.1, and who is not exempt under Section 69-208.4, shall register, as a condition of eligibility, with the CWD for GAIN.
- 2 If the individual fails or refuses to register, the procedures in Section 69-208.73 shall apply.
- 3 The CWD shall follow the procedures in Sections 42-760 and 42-761 except that RCA GAIN participants are not eligible for supportive services unless funded through non-GAIN sources.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 11320.2(e), and 11320.5(a); and 8 USC Section 1522(e).

Amend Section 42-802.21 to read:

42-802 JOB, TRAINING, AND EDUCATION SERVICES FOR RCA 42-802
GAIN PARTICIPANTS

.1 Education Services

- 11 RCA GAIN participants may participate in college and community college educational programs provided it does not constitute full-time attendance as defined in Section 69-206.5 or is exempt under Section 69-206.52 or .53.

.2 PREP Assignment

- 21 For purposes of determining the number of hours a person participates in a PREP assignment (Section 42-730.323), add the current month's RCA grant, less any child support paid to the county in the participant's behalf, and his/her food stamp allotment, and divide the sum by the average hourly wage for all job orders placed with EDD as determined annually by EDD.
- 211 A PREP assignment shall not exceed 32 hours per week.
- 212 In the event that the participant's food stamp allotment is at least twice the RCA grant amount, his/her PREP hours shall not exceed those arrived at by dividing his/her grant amount by the greater of the federal or state minimum wage.

.3 Priority in Services

- 31 The CWD shall give priority in providing expensive services and services which must be provided for a lengthy period of time, to RCA GAIN clients who have over 12 months of time-eligibility remaining as of the date of registration, or who have little or no employment history.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553,
11320(f)(5), 11320.2(e), and 11320.3(d)(2); 8 USC
Section 1522(e); ORR-AT-82-3, and ORR-AT-83-4.

42-803 BASIC PARTICIPANT CONTRACT REQUIREMENTS FOR RCA 42-803
GAIN PARTICIPANTS

- 1 Contract requirements in Sections 42-772.1, .2, .3 and .5 shall not apply to RCA GAIN participants.
- 2 If the RCA GAIN participant is deemed employable by the CWD, the basic contract shall provide that the individual has an option to participate either in Job Club (Section 42-730.21 or Supervised Job Search (Section 42-730.22).
 - 21 Employable means a person who is not exempt under Section 69-208.4 or is not deferred under Section 42-761.3.
- 3 Any employable RCA GAIN participant who lacks basic literacy or math skills, a high school diploma or its equivalent, or English language skills, shall participate in either remedial education, instruction in order to obtain a General Education Development (GED) certificate, or instruction in English as a Second Language. This educational plan shall not be scheduled during Job Club or Job Search hours.
- 4 Self-initiated plans are allowable; however, an educational plan which includes full-time attendance in an institution of higher education, as defined in Section 69-206.5, shall not be allowed.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); 8 USC Section 1522(e); SKS-AT-76-160; ORR-AT-82-3 and ORR-AT-83-4.

42-804 DEVELOPMENT OF AN EMPLOYMENT PLAN FOR RCA
GAIN PARTICIPANTS

42-804

- 1 The following persons shall cooperate with the CWD, or agency contracting with the CWD, to develop a mutually agreed upon employment plan:
 - 11 Persons identified in Section 42-803.2 who have not obtained employment after three weeks of Job Club or Supervised Job Search.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 11320.2(e), and 11320.5(c).

42-805 SUPPORTIVE SERVICES FOR RCA GAIN PARTICIPANTS 42-805

.1 RCA GAIN participants shall not be eligible for GAIN-funded supportive services.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e).

42-806 CAUSE DETERMINATIONS FOR RCA GAIN PARTICIPANTS 42-806

- 1 Cause determination requirements in Sections 42-781.1 through •3 shall apply, except that Sections 42-781.211(f) through (j) shall not apply. Additionally, Sections 42-781.6 through •9 shall not apply to RCA GAIN participants.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and SRS-AT-76-160.

42-807 GOOD CAUSE CRITERIA FOR RCA GAIN PARTICIPANTS 42-807

.1 All good cause criteria specified in Section 69-209.6 shall apply. Good cause criteria specified in Sections 42-782 and 42-783 shall also apply except for Sections 42-783.1(k) through 42-783.1(m).

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and SRS-AT-76-160.

42-808 METHOD OF DETERMINING NET LOSS OF INCOME

42-808

- 1 Net loss of income provisions in Section 42-784 shall not apply to RCA GAIN participants.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and SRS-AT-76-160.

AMEND SECTION 42-809.1 TO READ:

42-809 CONCILIATION FOR RCA GAIN PARTICIPANTS

42-809

.1 For conciliation procedures, refer to Sections 42-781.4 and .5.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and SRS-AT-76-160.

42-810 MONEY MANAGEMENT FOR RCA GAIN PARTICIPANTS 42-810

.1 Money management provisions in Section 42-785 shall not apply to RCA GAIN participants.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and SRS-AT-76-160.

42-811 FINANCIAL SANCTIONS FOR RCA GAIN PARTICIPANTS 42-811

.1 If the nonexempt, nondeferred RCA GAIN participant has refused or failed, without good cause, to meet or comply with the requirements of Sections 69-208.1 through 69-208.3 and .5, and Sections 42-781.11 through .13, and the conciliation efforts in Section 42-781.4 have failed, the CWD shall discontinue benefits in accordance with Section 69-208.7.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); SRS-AT-76-160; and ORR-AT-83-6.

42-812 STATE HEARINGS FOR RCA GAIN PARTICIPANTS

42-812

•1 State hearing and formal grievance procedures in Section 42-787 shall not apply to RCA GAIN participants. For state hearing procedures, refer to Section 69-221.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 11320.2(e); and 8 USC Section 1522(e).

69-206 ELIGIBILITY FOR REFUGEE DEMONSTRATION PROJECT (RDP) 69-206
OR REFUGEE CASH ASSISTANCE (RCA)

.1 Eligibility Factors

.12 RCA

Requirements of categorical relatedness applicable to the AFDC program are waived for assistance under RCA (see Section 69-203.41) and aid shall be granted without regard to the presence of children, age or number of hours worked. Factors which must be considered in determining eligibility are: time eligibility (69-206.212); refugee status (69-203.1); income and resources (69-207); income eligibility (69-206.4); attendance in an institution of higher education (69-206.5); and registration, employment and employment-directed educational/training requirements (69-208). In addition to these factors, as a condition for receiving assistance, the applicant/recipient shall, if applicable, provide the name of his/her sponsor or responsible VOLAG.

.121 RCA eligibles who reside in areas in which the county plan provides for their participation in the GAIN program, and who have more than six months of time-eligibility remaining, shall be required to participate in GAIN. See Chapter 42-800 provisions.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 11320(t)(5), 11320.2(e), and 11320.5(a).

FACE SHEET

(See Instructions on Reverse)

SUBMITTED FOR REVIEW

JUN 20 1986

OFFICE OF ADMINISTRATIVE LAW

ENDORSED
APPROVED FOR FILING
JUN 27 1986

Office of Administrative Law
For use of Office of Adm Law

FOR FILING ADMINISTRATIVE REGULATIONS WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

ORD #0386-17

FILED

In the office of the Secretary of State
of the State of California

JUN 27 1986

MARCH FONG EU, Secretary of State

By Virginia L Brady
Deputy

For use by Secretary of State only

Department of Social Services

(AGENCY)

Jude S. McMahon

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: 5/16/86

1. AGENCY CONTACT PERSON FOR THIS FILING
(See instructions)

Rosalie Clark

Chief, Regulations Development Bureau

TELEPHONE

445-0313

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)
- Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)
 Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

Title MPP

SECTIONS ADOPTED:

SECTIONS AMENDED:
50-014

SECTIONS REPEALED:

EMERGENCY

- b. The following sections listed in 3a contain modifications to the text originally made available to the public:

APPROVED

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

- prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

- No Yes, if yes, give date(s) of prior submittal(s) to OAL:

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

- No Yes, if yes, give date statement was submitted to OAL

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

- Fair Political Practices Commission
(Include FPPC approval stamp) Building Standards Commission
(Attach approval)
 State Fire Marshall (Attach approval) Department of Finance (Attach properly signed Std. 399)
 Other _____

(SPECIFY AGENCY)

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA
ADMINISTRATIVE NOTICE REGISTER

MAY 30 1986

- b. DATE OF FINAL AGENCY ACTION

- c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT.
CODE SEC. 11346.8(c))

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
b. Effective upon filing with the Secretary of State.
c. Effective on _____ as required or allowed by the following statute(s):
d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.

INSTRUCTIONS FOR STD 400

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
- b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven(7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Amend Section 50-014.314, .315, .321, .322, and .325 to read:

50-014 SETTLEMENT OF NORTH COAST COALITION V. WOODS, 50-014
WOOD V. WOODS, WRIGHT V. WOODS,
AND ANGUS V. WOODS (Continued)

.3 Application for Retroactive Benefits

.31 Claimant Responsibilities (Continued)

.314 The claim form(s) shall be submitted to the proper CWD by February 28, March 21, 1986. Claims submitted after this date shall be denied, except as provided in .314(d) or .315(b) below.

(a) Unless the evidence indicates otherwise, the date the claim form is submitted shall be determined as follows:

(1) The postmark date of the envelope, when the claim is mailed to the CWD; or

(2) The date stamped on the claim form by the CWD, when the claim is delivered in person to the CWD; or

(3) The date the claim form was signed by the claimant, when the date cannot be determined by either (1) or (2) above.

1b1 Claim forms initially submitted to a legal aid office on or before the close of the claim period specified above shall be accepted by the CWD, provided that those claim forms are sent or delivered to the CWD on or before March 31, 1986. Any claims which are postmarked or delivered from a legal aid office to the CWD after March 31, 1986 shall be denied.

.315 The claimant shall be permitted to resubmit a previously denied claim or portion thereof or reapply if the date of resubmittal is:

(a) Prior to On or before the close of the claim period specified in .314 above, or

(D) Prior to March 31 On or before April 21, 1986 or 30 days from the date of the denial, whichever is later, when the claim was denied in accordance with .422 below and the claimant resubmits the claim form to the correct CWD. In the event the correct CWD is determined as a result of a fair hearing, the claimant may resubmit the claim form(s) within 30 days of the hearing decision.

.32 CWD Responsibilities

- 321 The CWD shall stamp each claim form with the date the form was received and shall retain all envelopes that were postmarked after February 28 March 21, 1986.
- 322 Claims submitted after the date specified in .314 above shall be denied except as provided in •314(b) or •315(b) above.
- 323 (Continued)
- 324 (Continued)
- 325 The CWD shall submit to SDSS a statistical report for each court case on or before May 30, 1986. The CWD shall submit to SDSS a final statistical report by ~~July~~ September 30, 1986 for each court case in which the initial report showed claims pending a decision as of May 1, 1986. The reports shall be submitted on the forms (TEMP 1635, 1635A, 1635B, and 1635C) provided by SDSS and shall contain:

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10553.

ADD TO SECTION 50-014.027(a)(3)(L) AND AMEND (a)(6) TO READ:

50-014 SETTLEMENT OF NORTH COAST COALITION V. WOODS, 50-014
AND WOODS, WRIGHT V. WOODS,
AND ANGUS V. WOODS (continued)

•• (continued)

••82 (continued)

•827 FOR THE MONTH(S) CLAIMED FOR WHICH IT HAS BEEN
CONFIRMED THAT:

(a) THE CASE RECORD CONTAINS SUFFICIENT
INFORMATION TO CALCULATE THE AMOUNT OF THE
RETROACTIVE BENEFIT OR THE COMBINATION OF
THE CASE RECORD INFORMATION AND THE
INFORMATION PROVIDED ON THE CLAIM FORM
REGARDING THE HOUSING COST IS SUFFICIENT TO
CALCULATE THE AMOUNT OF THE RETROACTIVE
BENEFIT. THE CWD SHALL DETERMINE THE AMOUNT
OF THE RETROACTIVE BENEFITS AS FOLLOWS:
(continued)

(b) DETERMINE THE HOUSING AND UTILITY
COSTS OF THE AU FOR THE MONTH
CLAIMED.

(A) (continued)

(B) (continued)

(c) COMPARE THE AMOUNT OF THE
HOUSING AND UTILITY COSTS
DETERMINED IN EITHER (A) OR (B)
ABOVE TO THE MAXIMUM PAYMENT
LEVEL FOR THE AU
SIZE DURING THE CLAIM MONTH.
(SEE APPENDIX A OF MR 2 SECTION
50-014 FOR MAP LEVELS). IN THE
EVENT THAT THE HOUSING AND
UTILITY COSTS EXCEED THE MAP
LEVEL, THE CWD SHALL USE THE
MAP LEVEL FOR THE PURPOSES OF
THIS SECTION.

(d) (continued)

(e) (continued)

(6) The claimant is entitled to retroactive benefits when the amount of the housing and utility costs determined in (3) above exceeds the amount of the AU's cash for the month claimed. The amount of the retroactive benefit shall be calculated by subtracting from the housing and utility amount determined in (3) the cash determined in (1).

— (A) The month claimed shall be denied with an NOA informing the claimant of his/her right to a state hearing when the amount of the AU's cash is equal to or greater than the housing and utility cost of amount determined in (3) above for the AU.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10553.

SUBMITTED FOR REVIEW

JUN 20 1986

OFFICE OF ADMINISTRATIVE LAW

ENDORSED
APPROVED FOR FILING

JUN 30 1986

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

DEPARTMENT OF SOCIAL SERVICES

(AGENCY)

Linda S. McMechan

AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date:

For use of Office of Adm Law

FILED

In the office of the Secretary of State
of the State of California

JUN 3 0 1986

At 5:44 o'clock M.
MARCH FONG EU, Secretary of State
Patti Lee Patrick
By _____
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING
(See instructions)

Rosalie Clark, Chief

TITLE

TELEPHONE

445-0313

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)
 Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)
 Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

Title _____

SECTIONS ADOPTED:

63-062

SECTIONS AMENDED:

63-408.13

SECTIONS REPEALED:

EMERGENCY

- b. The following sections listed in 3a contain modifications to the text originally made available to the public: _____

APPROVED

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

- prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

- No Yes, if yes, give date(s) of prior submittal(s) to OAL: _____

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

- No Yes, if yes, give date statement was submitted to OAL: _____

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

- | | |
|---|--|
| <input type="checkbox"/> Fair Political Practices Commission
(Include FPPC approval stamp) | <input type="checkbox"/> Building Standards Commission
(Attach approval) |
| <input type="checkbox"/> State Fire Marshall (Attach approval) | <input type="checkbox"/> Department of Finance (Attach properly signed Std. 399) |
| <input type="checkbox"/> Other _____
(SPECIFY AGENCY) | |

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA
ADMINISTRATIVE NOTICE REGISTER
- b. DATE OF FINAL AGENCY ACTION

June 19, 1986

- c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT.
CODE SEC. 11346.8(c))

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
- b. Effective upon filing with the Secretary of State.
- c. Effective on _____ as required or allowed by the following statute(s): _____
- d. Effective on July 1, 1986 (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
- e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

SUBMITTAL FORM
RECEIVED FOR REVIEW

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
- b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Adopt Section 63-062 to read:

63-062 IMPLEMENTATION OF CORRECTION TO WORK
REGISTRATION/JOB SEARCH/VOLUNTARY
QUIT PROVISIONS

63-062

- .1 CWDs shall implement the amendment to Section 63-408.13 effective July 1, 1986.
- .2 Benefits lost due to imposing the voluntary quit sanction from the date of application, shall be restored from September 1, 1985 in accordance with the provisions of Section 63-802. The 12-month limitation under Section 63-802 shall not apply to the restoration of these benefits.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: 7 CFR 272.1(g)(73)

Amend Section 63-408.13 to read:

63-408

63-408 VOLUNTARY QUIT

.1 Applicant Households (Continued)

- .13 Upon a determination that the primary wage earner voluntarily quit employment, the CWD shall determine if the voluntary quit was with good cause as defined in Section 63-408.4. If the voluntary quit was not for good cause, the household's application for participation shall be denied for a period of 90 days starting from the date of application quit. The household shall be advised of the reason for the denial and of its rights to reapply and/or request a state hearing.**

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 18901 and 7 CFR 273.7(n)(1)(v).

86-0304-1

(See Instructions on Reverse)

ORD # 1184-55

FACE SHEET

FOR FILING ADMINISTRATIVE REGULATIONS WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

FILED
In the office of the Secretary of State
of the State of California

ENDORSED
APPROVED FOR FILING
JUL 07 1986

Office of Administrative Law

For use of Office of Adm Law

Department of Social Services

(AGENCY)

Linda S. McPherson
AGENCY OFFICER WITH RULEMAKING AUTHORITY

Date: February 5, 1986

JUL 7 - 1986
At 5:00 o'clock p.m.
MARCH FONG EU, Secretary of State
By Marjorie Neuburger
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING
(See instructions)

Angie Teixeira

Regulations Analyst

323-0884

TITLE

TELEPHONE

2. Type of filing, (check one) 30-day Review Emergency Certificate of Compliance
(Complete Part 4 below)

Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)

Nonsubstantive changes with nonregulatory effect Printing Error Correction

3. a. Specify California Administrative Code title and sections as follows:

SECTIONS ADOPTED:

Title _____

25-506

SECTIONS AMENDED:

25-200.3; 310.3; 320.5; 400; 501, 502; 600.1 and 800

SECTIONS REPEALED:

25-360; 410.4; 450; 500; 503; 504; 505; 801; 802 and 803

b. The following sections listed in 3a contain modifications to the text originally made available to the public: 25-320.5

and 25-800

4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)

prior to the emergency adoption
 within 120 days of the effective date of the emergency adoption of the above-referenced regulations.

5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?

No Yes, if yes, give date(s) of prior submittal(s) to OAL: _____

6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?

No Yes, if yes, give date statement was submitted to OAL October 31, 1984

7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)

Fair Political Practices Commission (Include FPPC approval stamp) Building Standards Commission (Attach approval)
 State Fire Marshall (Attach approval) Department of Finance (Attach properly signed Std. 399)
 Other _____
(SPECIFY AGENCY)

8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER
August 2, 1985

b. DATE OF FINAL AGENCY ACTION
February 5, 1986

c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8(c))
January 3, 1986 to 5 p.m.
January 20, 1986 inclusive

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
b. Effective upon filing with the Secretary of State.
c. Effective on _____ as required or allowed by the following statute(s): _____
d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

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- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
- a. Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
- b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
- c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).
- Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
- b. Provide the date on which the regulatory agency adopted the regulatory changes.
- c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
- a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
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- e. If an effective date later than specified above is requested, provide the date.

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- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

Amend Section 25-200.3 to read:

25-200 GENERAL ADMINISTRATIVE RESPONSIBILITIES (Continued) 25-200

- .3 Each county shall keep such records and accounts as are required to demonstrate that it has made proper expenditures and has filed correct claims and shall maintain and file its records and accounts so as to enable representatives of the department and the federal Department of Health, Education and Welfare and Human Services to verify their correctness readily.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10554.

Amend Section 25-310.3 to read:

25-310 AUTHORIZATION AFTER DEATH (Continued)

25-310

- 3 If a recipient of ~~APS8~~ AFDC, Refugee Resettlement Program-Refugee Cash Assistance, or the Cuban-Haitian Entrant Program-Entrant Cash Assistance or Refugee Demonstration Project Cash Assistance Program dies, aid may be authorized after death for periods prior to the first of the month following his/her death.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11455, Section 23 of Chapter 69, Statutes of 1981, and Chapter 1352, Statutes of 1984.

(FM) Amend Section 25-320.5 to read:

25-320 PAYMENTS AFTER DEATH (Continued)

25-320

- .5 If an eligible recipient in an AP5Bv AFDC, Refugee Resettlement Program-Refugee Cash Assistance, or the Cuban/Haitian Entrant Program-Entrant Cash Assistance or Refugee Demonstration Project Cash Assistance Program case dies on or after the first day of the month, aid shall be paid for the full month in which the recipient died.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 11455, Section 23 of Chapter 69, Statutes of 1981 and Chapter 1352, Statutes of 1984.

Repeal Section 25-360:

~~25-360 PROTECTIVE AND VENDOR PAYMENTS~~

25-360

~~Protective and vendor payments are to be used only:~~

- ~~•1 As directed by the Services System in Money Management problem cases.~~
- ~~•2 For cases under WIN Sanction.~~
- ~~•3 For those AFDC children whose parent or relative caretaker has refused to assign support rights, or to cooperate in establishing paternity, identifying and locating absent parent(s) and obtaining support payments for himself or herself and for the child(ren).~~
- ~~•4 For those AFDC children whose parent or relative caretaker has refused to apply for or accept unconditionally available income.~~

~~Payments from the welfare appropriation shall be made directly to the recipient, vendor, and/or a trust account from which payment will be made as authorized. If a trust account is used, subaccounts showing deposits and expenditures for each recipient shall be maintained.~~

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553 and 10554 and MPP Section 44-307.

Amend Section 25-400 to read:

25-400 FISCAL ACTION UPON DISCOVERY DETERMINATION 25-400
 OF OVERPAYMENT OF AID

When an apparent overpayment of aid is discovered determined,
the county shall proceed promptly to investigate the facts and
take appropriate action thereon immediately establish a repayment
receivable record.

Authority: Welfare and Institutions Code Sections 10553 and
 10554.

Reference: Welfare and Institutions Code Sections 10600, and
 10603.

R Repeal Section 25-410.4:

E 25-410 CURRENT CASH ADJUSTMENT (Continued)

25-410

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E •4 Payment may be accepted in lieu of decrease of the grant
A during the recoupment adjustment period provided in MPP
L Section 44-333.13. The amount accepted shall not exceed the
amount recoverable through decrease of the grant.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10553 and MPP Section 44-352.41.

Repeal Section 25-450:

~~25-450 SOURCE OF REPAYMENT~~

~~25-450~~

~~R~~ When the circumstances which caused the overpayment to occur
~~E~~ permit a demand for repayment, repayments shall be demanded from
~~P~~ any and all resources (real and personal property) of the debtor,
except:

- ~~E~~ 1. The current grant or income required to meet the current
needs of a recipient, or, in AFDC, of the child.
~~A~~ 2. Real and personal property required to meet continuing needs
of a recipient, or, in AFDC, of the child.

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Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10553 and MPP Section 44-350.

Repeal Section 25-500 to read:

~~25-500 GOVERNMENTAL PARTICIPATION IN AID PAYMENTS 25-500~~

~~•1 Method of Claiming Determination for Entire Fiscal Year~~

~~The Director shall determine which of the following methods of claiming produces the larger share of federal funding:~~

- ~~a. Fifty percent basis as provided under Section 1118 of the Social Security Act as amended by Public Law 89-97, or~~
- ~~b. The dollar amount by number of recipients under the appropriate Titles of the Social Security Act.~~

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~~•2 Computation of County Claims~~

~~County claims for reimbursement shall than be computed by applying the federal percentage to the total money payments as provided on the appropriate claiming form.~~

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Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10600 and 10603.

Amend Section 25-501 to read:

25-501 DETERMINATION OF STATUS

25-501

Each county shall make a correct determination of the status of each recipient of categorical aid in regard to availability of state and federal participation in the aid payments.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10600 and 10603.

Amend Section 25-502 to read:

25-502 REPORTING OF STATUS FOR CLAIMING PURPOSES

25-502

For claiming purposes, persons counts are reported to reflect status of the money payment. However when a child is moved from a family budget unit (AFDC-F6 or AFDC-R7) to foster care (AFDC-BH7) or vice versa and both AFDC-F6/R and AFDC-BH7 payments are made for the same month, the persons count is shown with the payment covering the child's living arrangement on the first day of the month.

- 1 When an individual or an assistance unit is transferred from one aid program to another aid program and payments are made from both programs for portions of the same month, persons counts shall be claimed on both programs. Persons counts shall be claimed with each first payment issued in the pertinent program(s).
- 2 In the Emergency Assistance - Unemployed Parent Program if only one payment is issued for the 30 day eligibility period and if the 30 day eligibility period extends into the subsequent month, persons counts for the subsequent month shall be claimed by adjustment.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10600 and 10603.

Repeal Section 25-503:

~~25-503 MANDATED INCREASED COSTS~~

25-503

The county share of costs mandated by the state is subject to reimbursement by the state (Revenue and Taxation Code Section 2231). Costs mandated by the state include:

R •1 Enacted by Law

Any law enacted after January 1, 1973 which increases county costs by mandating a new program or an increased level of services to an existing program.

E •2 By Executive Order

Any executive order issued after January 1, 1983 which increases county costs by:

A •21 Mandating a new program.

L •22 Implementing or interpreting a state statute.

Increased costs mandated by the state do not include cost increases due to federally mandated changes, court ordered changes, or changes required by an initiative enactment or costs waived by statute.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10600 and 10603 and Revenue and Taxation Code Sections 2231 and 2207(a) through (c).

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Repeal Section 25-504:

~~25-504 LOCAL COST REIMBURSEMENT SYSTEM~~

~~25-504~~

~~County shares of increased costs mandated by the state after June 30, 1977 will be reimbursed by the state through the Local Cost Reimbursement System.~~

~~There is a State-County Local Cost Reimbursement Committee composed of a limited number of county members representing large, medium, and small counties. In addition, the committee will include representatives of the Department of Social Services. The committee will review proposed regulations, accompanying cost estimates, and costing methodologies. Statewide costs, determined on the basis of a logical methodology, will subsequently be distributed to individual counties by allocation.~~

~~L~~ Local Cost Reimbursement allocations to individual counties will be made on a basis commensurate with the methodology used to identify the statewide cost unless some other method more appropriately reflects individual county costs. Counties failing to promptly implement cost regulations shall be subject to a reduction in their allocation.

~~Local Cost Reimbursement will be accomplished, at least annually, by adjustments to the public assistance claims, decreasing county shares, and increasing state shares by the amount of the allocation to each individual county.~~

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10600 and 10603.

Repeal Section 25-505:

R 25-505 COSTS MANDATED PRIOR TO JULY 1, 1977 **25-505**

E Increased costs mandated by the state prior to July 1, 1977 will
P continue to be identified and separately claimed in accordance
A with previously issued instructions. Such costs include:
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- 1 The six percent AFDC cost-of-living increase effective January 1, 1977.
- 2 The \$12.50 increase to foster parents for each foster care child in a foster family home effective September 1, 1976.

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Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10600 and 10603.

Adopt Section 25-506 to read:

25-506 PARTICIPATION IN EXCEPTION WARRANTS

25-506

For claiming of otherwise available federal and/or state participation, warrants written for aid payments must be payable to the payee as designated in the specific program regulations. (MPP Sections 44-305.12 and 45-301.1 and .2). Exception: In instances when the welfare trust account for the specific program has not been charged with the full cost of payment to which the recipient is eligible, and the funds are owed to an entity other than the recipient, a warrant may be payable to such entity. Warrants may also be issued to accomplish the transfer of funds between accounts where necessary to comply with SDSS instructions.

Example: A \$50.00 Child/Spousal Support Disregard (CSSD) warrant is erroneously mailed to the "wrong" recipient (i.e., Recipient X instead of Recipient Z). Recipient X's grant is reduced to recover the CSSD payment. At this point, the CSSD payment has been recovered but the welfare trust account has not been charged with the actual grant cost and the county only account is short \$50.00. The above regulation authorizes the county to write a warrant on the welfare trust account to transfer the recouped \$50.00 child support money to the county only account.

HANDBOOK

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10554, 10600 and 10603.

Amend Section 25-600.1 Introductory Paragraph and (a) to read:

25-600 FORMS RETENTION AND REPORTING REQUIREMENTS 25-600

.1 Retention Schedule

State forms listed in Handbook Chapter 25-600 and their supporting records must be retained by the county as required by MPP Section 23-353 unless notification has been received from the DSS that there are unresolved audit issues. The exceptions are:

- a. ABCD 830 original shall be retained in the case record. ABCD 830 duplicate may be destroyed after overpayment is recovered. ABCD 830 and triplicate may be destroyed after overpayment is recovered or at end of adjustment period.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10600, 10603 and 11004; 45 CFR 233.20(a)(13).

Amend Section 25-800 to read:

25-800 REIMBURSEMENT FOR ADMINISTRATIVE EXPENDITURES 25-800

Reimbursement for state and federal shares of expenditures for administration of the ~~welfare~~ public assistance programs are subject to receipt of claims prepared and submitted by the counties in accordance with instructions and in a manner acceptable to the department.

Each county shall maintain a record-keeping system which identifies programs to which expenditures are allocable and costs to each program.

Costs claimed must be necessary and appropriate to the efficient and economic administration of the programs and are subject to all regulations adopted by DBPSS.

State sharing for costs claimed for administrative expenses by each county shall be subject to the limitations of state funds as made available by budgetary appropriations. Federal sharing shall be subject to any funding limitation which may be imposed by the Federal Government.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10554, 10600 and 10603.

Repeal Section 25-801

~~25-801 MANDATED INCREASED COSTS~~

25-801

The county share of costs mandated by the state is subject to reimbursement by the state (Revenue and Taxation Code Section 2231). Costs mandated by the state include:

•1 Enacted by law

Any law enacted after January 1, 1973 which increases county costs by mandating a new program or an increased level of services to an existing program.

•2 By Executive Order

Any executive order issued after January 1, 1973 which increases county costs by:

•21 Mandating a new program.

•22 Implementing or interpreting a state statute.

Increased costs mandated by the state do not include cost increases due to federally mandated changes, court-ordered changes, or changes required by an initiative enactment or costs waived by statute.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Section 10553 and Revenue and Taxation Code Sections 2231 and 2207(a) through (c).

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Repeal Section 25-802 to read:

~~25-802 LOCAL COST REIMBURSEMENT SYSTEM~~

25-802

County shares of increased costs mandated by the state after June 30, 1977 will be reimbursed by the State through the Local Cost Reimbursement System.

There is a State-County Local Cost Reimbursement Committee composed of a limited number of county members representing large, medium, and small counties. In addition, the committee will include representatives of the Department of Benefit Payments. The committee will review proposed regulations, accompanying cost estimates, and costing methodologies. Statewide costs, determined on the basis of a logical methodology, will subsequently be distributed to individual counties by allocation.

Local Cost Reimbursement allocations to individual counties will be made on a basis commensurate with the methodology used to identify the statewide cost unless some other method more appropriately reflects individual county costs. Counties failing to promptly implement cost regulations shall be subject to a reduction in their cost allocations.

Local Cost Reimbursement will be accomplished, at least annually, by adjustments to the administrative expenditure claims, decreasing county shares and increasing state shares by the amount of the allocation to each individual county.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10600 and 10603.

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Repeal Section 25-803:

~~25-803 COSTS MANDATED PRIOR TO JULY 1, 1977~~

25-803

There were no new or increased program mandates resulting in increased administrative expenditures prior to July 1, 1977, which were claimable through Administrative Expenditure Claims.

Authority: Welfare and Institutions Code Sections 10553 and 10554.

Reference: Welfare and Institutions Code Sections 10553, 10600 and 10603.

SUBMITTED FOR REVIEW

JUL 01 1986

OFFICE OF ADMINISTRATIVE LAW

ENDORSED
APPROVED FOR FILING
JUL 21 1986

For Use of Office of Admin-Law

FACE SHEET

REGULAR
FOR FILING ADMINISTRATIVE REGULATIONS
WITH THE OFFICE OF ADMINISTRATIVE LAW

CERTIFICATION: I hereby certify that the attached are true and correct copies of regulations adopted, amended or repealed by this agency and that the information specified on this Face Sheet is true and correct.

Department of Social Services

(AGENCY)

Janie S. McMahon

AGENCY OFFICER WITH RULEMAKING AUTHORITY

June 23, 1986

Date:

ORD #0186-05

FILED

In the office of the Secretary of State
of the State of California

JUL 21 1986
At 4:44 o'clock P.M.
MARCH FONG EU, Secretary of State

By *Maryne Berash Berger*
Deputy Secretary of State

For use by Secretary of State only

1. AGENCY CONTACT PERSON FOR THIS FILING (See instructions)	TITLE	TELEPHONE
Rosalie Clark, Chief	Regulations Development Bureau	445-0313
2. Type of filing, (check one)	<input checked="" type="checkbox"/> 30-day Review <input type="checkbox"/> Emergency	<input type="checkbox"/> Certificate of Compliance (Complete Part 4 below)
<input type="checkbox"/> Regulatory changes resulting from Govt. Code 11349.7 review (Complete Part 6 below)		
<input type="checkbox"/> Nonsubstantive changes with nonregulatory effect <input type="checkbox"/> Printing Error Correction		
3. a. Specify California Administrative Code title and sections as follows:	SECTION ADOPTED:	
Title MPP	SECTION AMENDED:	
SECTION REPEALED: 30-769.27		
APPROVED		
4. CERTIFICATE OF COMPLIANCE (Government Code Section 11346.1(e): The above-named agency officer certifies that this agency complied with the provisions of Government Code Sections 11346.4-11346.8. (Check one)	<input type="checkbox"/> prior to the emergency adoption <input type="checkbox"/> within 120 days of the effective date of the emergency adoption of the above-referenced regulations.	
5. Is this filing a resubmittal of a previously disapproved or withdrawn regulation?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, if yes, give date(s) of prior submittal(s) to OAL:	
6. Is the filing submitted to carry out amendments or repeals identified in the statement of review completion submitted as a result of the agency's review of regulations administered by it as of June 30, 1980?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, if yes, give date statement was submitted to OAL	
7. If these regulations required prior review and approval or concurrence by any of the following agencies, check appropriate box(es)	<input type="checkbox"/> Fair Political Practices Commission (Include FPPC approval stamp) <input type="checkbox"/> Building Standards Commission (Attach approval) <input type="checkbox"/> State Fire Marshall (Attach approval) <input type="checkbox"/> Department of Finance (Attach properly signed Std. 399) <input type="checkbox"/> Other _____ (SPECIFY AGENCY)	
8. a. PUBLICATION DATE OF NOTICE IN CALIFORNIA ADMINISTRATIVE NOTICE REGISTER February 28, 1986	b. DATE OF FINAL AGENCY ACTION June 23, 1986	c. DATES OF AVAILABILITY OF MODIFIED REGULATION(S) (GOVT. CODE SEC. 11346.8(c))

9. Effective date of regulatory changes: (See Government Code Section 11346.2 and instructions on reverse)

- a. Effective 30th day after filing with the Secretary of State.
- b. Effective upon filing with the Secretary of State.
- c. Effective on _____ as required or allowed by the following statute(s): _____.
- d. Effective on _____ (Designate effective date earlier than 30 days after filing with the Secretary of State pursuant to Govt. Code Sect. 11346.2(d).)
Attach request demonstrating good cause for early effective date. Request subject to OAL approval.
- e. Effective on _____ (Designate effective date later than the normal effective date for the type of order filed.)

INSTRUCTIONS FOR STD 400

**REGULATORY
FILED**

Completed Face Sheet for Filing Regulations with the Office of Administrative Law must be attached to the front of each of the seven copies of the regulations. Note that at least one Face Sheet must contain an original signature of the agency officer with rulemaking authority.

- Part 1. Provide the name and telephone number of the person who is authorized during the review period to answer questions regarding this regulatory filing. If different than person designated in certification box, attach order delegating authority for making decisions regarding these regulations.
- Part 2. Check the appropriate box. NOTE: Nonsubstantive changes are reviewed by and are subject to OAL approval.
- Part 3 a. Provide the Administrative Code Title in which the regulation will appear and list section number of each regulation to be amended, adopted or repealed. *When filing a Certificate of Compliance list the section number of each emergency regulation formally adopted after completion of the rulemaking procedures of the APA.* (Attach additional sheets if necessary.)
 - b. Please list the section number of each regulation which includes modifications to the text to the regulations originally made available to the public pursuant to Government Code Section 11346.5(b), and adopted, amended or repealed as modified pursuant to Government Code Section 11346.8(c). The sections listed here must correspond to the sections which were made available for 15 days pursuant to Government Code Section 11346.8(c).
- Part 4. Check appropriate box as necessary to comply with the requirements of Government Code Section 11346.1(e).
- Part 5. Specify date(s) and file number(s) of each prior submittal of these regulatory changes which was withdrawn or disapproved.
- Part 6. OAL has a longer time period to review regulatory changes submitted to carry out amendments and repeals which are identified in the agency's Statement of Review Completion and which have been submitted as a result of the agency's review of regulations administered by it as of June 30, 1980. Therefore, these regulatory changes should be submitted in a separate filing from any other regulatory changes. If not submitted separately, regulations not resulting from the review and any material in the rulemaking file relating to them must be clearly identified.
- Part 7. Certain regulatory activities must be reviewed and approved by other state agencies prior to submittal to OAL. Regulations subject to prior approval include:
 - a. Fire and panic safety regulations (Govt. Code Sec. 11342.3.).
 - b. Building standards as defined in Section 18909 of the Health and Safety Code (Govt. Code Sec. 11343).
 - c. Conflict of Interest regulations (Title 2 California Admin. Code Section 18750(i)).

Note: Where regulations have a fiscal impact on state, local or federal government or result in reimbursable costs to local government or school districts the fiscal impact statement must be reviewed, approved and signed by the Department of Finance before the regulations will be accepted for filing by OAL. See Government Code Sections 11349.1, 11346.5(a)(6), and S.A.M. sections 6050-6057.
- Part 8 a. Provide the publication date of the Notice Register in which the notice of proposed action appeared.
 - b. Provide the date on which the regulatory agency adopted the regulatory changes.
 - c. If the regulations were modified subsequent to the hearing or written comment period, provide the dates during which the modified regulations were made available to the public. Note that period must be at least 15 days and must be completed prior to the date the agency adopts the modified text. All modifications must be clearly indicated.
- Part 9. Effective Dates — check one of the following:
 - a. A regulation or order of repeal is effective 30 days after filing with the Secretary of State unless a different date is specified below.
 - b. An emergency order, Certificates of Compliance or nonsubstantive change is effective upon filing with the Secretary of State unless a later date is specified below.
 - c. If an effective date other than specified above is required or allowed by statute, provide the date and the statutory citations(s).
 - d. If an early effective date is being requested, please attach a letter specifying the date the regulation(s) should take effect and the reason for the early effective date. Requests are granted by OAL upon a showing of good cause.
 - e. If an effective date later than specified above is requested, provide the date.

FILING REQUIREMENTS

The following material must be submitted when filing regulations with OAL:

- *Seven (7) copies of the regulations.* Note: Use underline and strikeout to indicate changes in an existing section. For adoption of a new section, underline new text. The repeal of an entire section may be indicated by placing a diagonal slash through the text to be repealed.
- *A completed Face Sheet for filing regulations with the Office of Administrative Law, Form STD 400 attached to the front of each copy of the regulations, with at least one Face Sheet bearing an original signature.*
- *Complete rulemaking file, with index and sworn statement.* (See Govt. Code Sec. 11347.3 for full list of rulemaking contents.)

DELEGATED AUTHORITY ORDER

I hereby authorize and designate Rosalie P. Clark, Chief, Office of Regulations Development as the agency contact person who has authority to make decisions and answer questions regarding this regulation order.



LINDA S. McMAHON
Director

Repeal Section 30-769.27, renumber current Sections 30-769.28 and .29 to new Sections 30-769.27 and .28 to read:

30-769 PAYROLLING FOR INDIVIDUAL PROVIDERS (Continued) 30-769

.2 County Responsibility

*27 The county shall enter authorized hours rounded up to the nearest tenth of an hour into the payrolling system

.287 (Continued)

.298 (Continued)

Authority: Welfare and Institutions Code Section 10553.

Reference: Welfare and Institutions Code Section 10554.